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430-05-90	431
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Objective

Introduce Food Stamp Program basic information.



Module Time

Approximate Time

40 Minutes



Notes

This document does not contain ALL the policy that is found in the emanual.
It is designed to provide information needed for a new worker. It should be
used as a reference, but is NOT intended to be used in place of the emanual.

LESSON: History, Authority and Purpose of the Food Stamp Program



Purpose

Provide information on the development of and reason for the Food Stamp Program.



eManual References

History of the Food Stamp Program
Authority
Purpose of the Food Stamp Program

430-05-05-05 430-05-05-10

430-05-05-15



Policy

History

The Food Stamp Program began as a pilot program in 1961 and became law in 1964. The program was designed to increase the food buying power of low-income families. During this time, families, based on their income, could purchase bonus stamps.

For example, a family of four could purchase \$58.00 in bonus stamps for \$2.00.

In 1970, North Dakota had 41 counties participating in the Food Stamp Program, 5 counties with no program and 7 counties that issued surplus commodities. In July of 1974 all counties were mandated to participate in the Food Stamp Program.

In October of 1984 the program was totally automated. Today, the State of North Dakota serves approximately 18,600 households statewide with a total dollar issuance of approximately \$3.4 million per month in electronic benefits.

Authority

The Food Stamp Program is authorized by Public Law 95-113, the Food Stamp Act of 1977, and its various amendments. It is administered by county social service offices and supervised by the North Dakota Department of Human Services.

Purpose

The Food Stamp Program is a uniform nationwide program intended to promote the general welfare and safeguard the health and well being of the nation's population by raising the levels of nutrition among low-income households.

Notes

LESSON: Administration of the Food Stamp Program



Purpose

Explain the various responsibilities in administering the Food Stamp Program.



eManual References

Administration	430-05-05-20
State Responsibilitites	430-05-05-20-05
County Responsibilities	430-05-05-20-10
Worker Responsibilities	430-05-05-20-15
Case File Reviews	430-05-05-20-20
Bilingual Requirements	430-05-05-20-25
Program Informational Activities	430-05-05-20-30



Policy

State Office Responsibilities

State responsibilities include:

- Supervision of certification
 - QIR's, case file reviews
- Issuance and outreach activities
 - Emergency Food Stamp Plan
- Maintenance of Quality Control
 - Federal regulations require States to operate a Quality Control system to determine if household are receiving correct food stamp benefits and to determine if cases are

denied or closed correctly. The Quality Control system documents the number of and reasons for errors in eligibility and issuance of participating households based on a random sample of active and negative cases.

- Quality assurance
 - Federal regulations also require State to establish a
 continuing performance reporting system to monitor
 program administration and program operations.

 Mandated QIR's are conducted to determine if counties are
 administering and operating the Food Stamp Program in
 accordance with program requirements. FNS requires
 identification of counties that are not administering the
 Food Stamp regulations correctly and require the State
 Office to initiate corrective action.
- A complaint procedures system
 - Program complaint may be filed at any county office, State Office, Regional Office or National Office. (NOT just civil rights.)
- Statewide fiscal accountability
- Settlement of claims resulting from fraud and non-fraud claims
- Developing, conducting and evaluating statewide training.
 - The State Office is responsible to institute a continuing training program.
- Death Match

County and Worker Responsibilities

County responsibilities include:

- Certification of applicant households.
 - Following the policies and procedures contained in the food stamp manual and prudent person judgment.

- Issuance.
- Control and accountability of EBT card stock.
- Keep records necessary to determine if the program is administered in compliance with Federal law.
 - Documentation
- Submit accurate and timely financial and program reports.
- Meet other responsibilities as outlined in this manual and the Issuance and Accountability Manual.
- Accept collect telephone calls or provide a toll free number for any households with calls relating to the program.
- Casefile reviews.
- Bilingual Requirements.
- Program Informational Activities.

Notes

LESSON: Nondiscrimination and Program Complaints



Purpose

Explain the nondiscrimination requirements and how to treat program complaints.



eManual References

Nondiscrimination Filing A Complaint Complaint Requirements Program Complaints 430-05-05-25 430-05-05-25-05 430-05-05-25-10 430-05-05-30



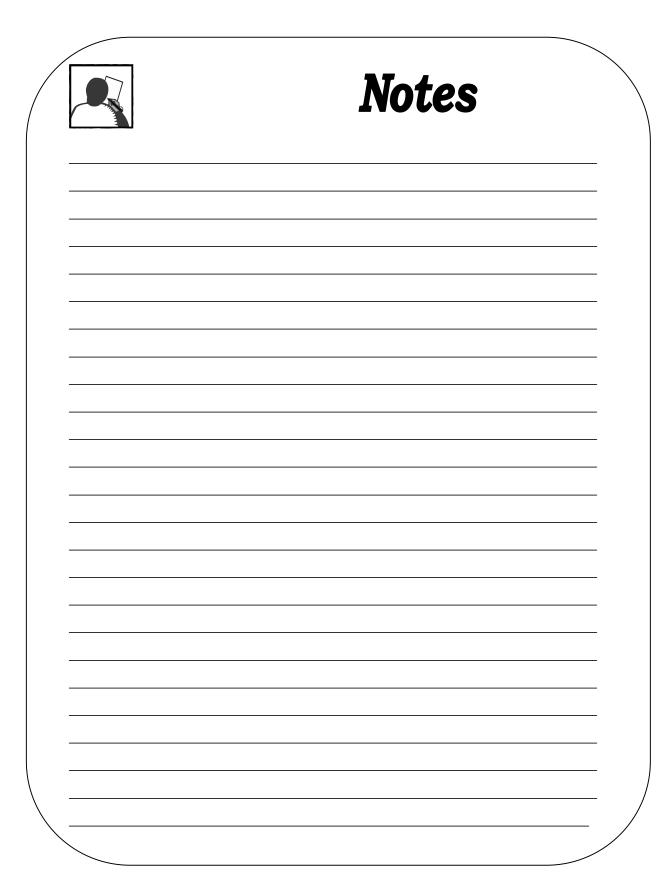
Policy

Nondiscrimination

Counties must not discriminate against any applicant or participant including, but not limited to, the certification of households, the issuance of benefits, the conduct of fair hearings, or any other Food Stamp Program service for reasons of race, color, national origin, sex, religion, age, disability or political beliefs (protected classes).

Any individual who expresses an interest in filing a discrimination complaint must be advised of their right to file a complaint with either FNS or the Civil Rights Officer, and of information necessary for investigation. Any complaints received in the county office must be sent to either FNS or the State Civil Rights Officer.

Program-related non-discrimination complaints may be filed with the State Food Stamp Office, the FNS Regional Office or the FNS National Office.



LESSON: Disclosure of Information and Availability of Public Information



Purpose

Explain who may and may not have access to information supplied by applicant households.



eManual References

Disclosure of Information Availability of Public Information 430-05-05-35 430-05-05-40



Policy

Use or disclosure of information obtained from applicant households, exclusively for the Food Stamp Program, is restricted to the following persons:

- 1. Persons directly connected with the administration or enforcement of the provisions of the Food Stamp Act or regulations, other federal assistance programs (Medicaid), or federally assisted state programs which provide assistance, on a means-tested basis, to low income households (TANF, CCAP, LIHEAP).
- 2. Persons directly connected with the administration or enforcement of the programs which are required to participate in the Income Eligibility Verification System (IEVS) program, to the extent the food stamp information is useful in establishing or verifying eligibility or benefit amounts under those programs. Those programs are TANF, Medical Assistance, Unemployment Compensation, and the Food Stamp Program in North Dakota.
- 3. Persons directly connected with the verification of immigration status of aliens applying for food stamp benefits through the Systematic Alien

Verification for Entitlement (SAVE) system, to the extent the information is necessary to identify the individual for verification purposes.

- 4. Persons directly connected with the Child Support (IV-D) Program, and Health and Human Services employees as necessary to assist in establishing or verifying eligibility or benefits under Title II (Federal Old Age Survivors and Disability Benefits) and Title XVI (Supplemental Security Income) of the Social Security Act.
- 5. Employees of the Controller General's Office of the United States for audit examination authorized by any provision of law.
- 6. Local, State or Federal law enforcement officials, upon their written request, for the purpose of investigating an alleged violation of the Food Stamp Act or regulations.
- 7. If there is a written request by a responsible member of the household, its currently authorized representative, or a person acting on its behalf to review materials contained in its casefile, the material and information contained in the casefile must be made available for inspection during normal business hours.

Federal regulations and procedures included in FNS notices and policy memos, and State Plans of Operation (including specific planning documents such as Corrective Action Plans) are available upon request by members of the public during office hours at the State Office, as well as FNS Regional and National Offices. State certification and issuance manuals are available for examination at each county, as well as the State Office and FNS Regional and National Offices.

Notes

LESSON: Retention and Destruction of Records



Purpose

Explain requirements regarding retention and subsequent destruction of all records related to determining eligibility and benefit amounts.



eManual References

Retention of Records
Destruction of Records

430-05-05-45 430-05-05-45-05



Policy

Retention of Records

Food Stamp records and reports, including all certification records, must be available for audit and review for a period of three years from the month of origin of each record.

Casefiles, including all documents pertinent to determining eligibility and benefit amount, must be retained for <u>three</u> years after a case is closed or denied. Subsequent reopening of cases does not alter the allowable destruction of materials for the prior period of eligibility once the three years have lapsed. The closed casefiles may, at county option, be destroyed. Verification materials such as alien status, SSNs, etc. required for the current open case must be retained.

If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the three year period, the records must be retained until completion of the action and resolution of all issues or until the end of the regular three year period, whichever is later.

Destruction of Records

The county must ensure that the confidential contents of a file are destroyed. The preferred method for accomplishing this is either burning or shredding, done under the supervision of a representative of the county. Burial is not an acceptable method of destruction of casefile materials.

The county must maintain a destruction record of casefiles containing federal tax information received through IEVS for <u>seven</u> years. The destruction record must state material disposed of, date and method of disposal, and names of employees who witnessed destruction, and their title. A copy of this record must be sent to the State Office IEVS coordinator. The State Office IEVS coordinator must keep these for seven years. (Carol Cartledge)

Appointment letters and other materials, which serve only a transitory purpose, may be destroyed without prior filing, once their purpose has been achieved.

Notes

LESSON: Food Distribution Program



Purpose

Explain the Food Distribution Program and how it relates to the Food Stamp Program.



eManual References

Food Distribution Program 430-05-05-50

Choice of Food Stamp Program or Food Distribution

Program (Tribal Commodities) 430-05-05-50-05

Food Stamp Program or Food Distribution Program

(Tribal Commodities) When Food Stamp Certified

Households are receiving a Zero Benefit 430-05-05-50-10



Policy

A household is not allowed to participate simultaneously in the Food Stamp Program and the Food Distribution Program (Tribal Commodities). To prevent dual participation, the State Office sends a monthly list of food stamp certified households to the Food Distribution Program. The local agencies administering the Food Distribution Program are required to submit monthly lists of recipients to counties on or near reservations.

An individual disqualified from participation in the Food Stamp Program due to an IPV or court conviction of fraud (DF) **may not participate** in the Food Distribution Program until the period of disqualification expires. Counties must notify the Food Distribution Program in writing of Food Stamp disqualified individuals, along with the dates of disqualification.

Individuals disqualified from participation in the Food Stamp Program for a reason other than IPV or a court conviction of fraud **may be eligible** to participate in the Food Distribution Program.

An individual disqualified from participation in the Food Distribution Program may participate in the Food Stamp Program.

A household eligible for either the Food Stamp Program or the Food Distribution Program may participate in either program. Households may switch from one program to the other at the end of the certification period or within a certification period by terminating their participation and notifying the administering agency. An application for the new program is required and eligibility begins the month following termination of the previous program.

Households certified in either the Food Stamp or Food Distribution Program on the first day of the month can only receive benefits in the program for which they are currently certified during that month.

Exception:

A household may participate in the Food Stamp Program in the same month that they are certified for the Food Distribution Program if the household did not pick up their commodities. The worker will need to contact the Food Distribution Program to verify that the household did not pick up their commodities for that month. The household's certification for the Food Distribution Program must be ended.

When an individual has received benefits from both programs in the same month, a claim must be completed. The program that initially certified the individual does not complete a claim.

Households that are certified for participation in the Food Stamp Program but not receiving food stamp benefits include:

- Households when the food stamp benefit for an initial month prorates to less than \$10.00.
- Households when the food stamp benefit is suspended for one month due to receipt of an extra paycheck from a recurring source.

In the above two instances, the food stamp household may apply for and be certified for commodities. If eligible for commodities, the household can be certified for one month only.

The Food Distribution Program must verify that the food stamp benefit was zero for the month. Once the verification has been obtained, a household may be certified for commodities for one month only.

If a household elects to continue participation in the Food Distribution Program, the household must terminate food stamp participation and reapply for the Food Distribution Program.

LESSON: Use of Food Stamp Benefits



Purpose

List what Foods Stamps can and can not be used to purchase.



eManual References

Use of Food Stamp Benefits

430-05-05-55



Policy

- Food stamp benefits must not be used to pay for any food or meal services purchased on credits (i.e. groceries charged).
- Food stamp benefits must not be used to pay for any food in advance.

Exception:

Food purchased from a nonprofit cooperative food-purchasing venture may be paid in advance. (Those purchased in bulk.)

Food Stamp Benefits can be used to purchase:

1. Any food or food product intended for human consumption. (Infant formula)

Exception:

Alcoholic beverages, tobacco, hot foods/products prepared for immediate consumption, vitamins and medicine.

2. Seeds and plants to grow food for the personal consumption of eligible households. (Vendor must have POS or EBT manual vouchers.)

Residents of Treatment Centers

Individuals in alcohol or drug treatment centers may use food stamp benefits to purchase food prepared for them during the course of their treatment.

Group Living Arrangement

Residents of a group living arrangement may use their food stamp benefits to purchase meals prepared for them or at retail food stores.

If the resident applies using the facility as an authorized representative, the group home may either receive or spend the benefit for food prepared by and or served to the resident.

Residents of Abuse Shelters

Residents of public or private non-profit abuse shelters may use their food stamp benefits to purchase meals prepared for them or at retail food stores.

Meal Delivery Service

Household's eligible to purchase meals prepared and delivered by an authorized meal delivery service may use their food stamp benefits to purchase them.

(Meals on Wheels)

Communal Dining Facility

An individual may use their food stamp benefits to purchase prepared meals at an authorized communal dining facility.

Homeless Meal Provider

Homeless food stamp households may use food stamp benefits to purchase meals prepared by a homeless meal provider.

MODULE: Authorized Representative – 430-05-15



Objective

Explain the rules relating to food stamp households and their designated authorized representative.



Module Time

Approximate Time

10 Minutes

Notes

LESSON: Authorized Representative



Purpose

Explain what is an authorized representative and who may be one.



eManual References

Making Application/Recertification	430-05-15-05
Obtaining and Using Food Stamp Benefits	430-05-15-10
Authorized Representative Restrictions	430-05-15-15
Disqualification of Authorized Representative	430-05-15-20
Residents of Drug or Alcohol Treatment/Rehabilitation	
Centers	430-05-15-25
Residents of Group Homes	430-05-15-30



Policy

An authorized representative is a responsible adult non-household member authorized in writing by the household to make application, receive food stamp benefits and/or purchase food for the household. The head of household, spouse, or another responsible member of the household may designate an authorized representative when all responsible adult household members are unable to:

• Make application/Recertification, or

When an authorized representative makes application or recertification on behalf of the household, the identity of the authorized representative and the head of household must be verified, if not previously verified.

- Obtain and/or use food stamp benefits, or
- Use food stamp benefits to purchase food for the household's consumption.

This includes attending EBT training, obtaining the EBT card and selecting or changing the PIN number.

The household may designate more than one authorized representative and an authorized representative may represent more than one household. The name of the authorized representative must be contained in the casefile and on the ADDR screen in TECS.

The following individuals may not act as authorized representatives:

- County employees involved in certification and/or issuance
- Retailers authorized to accept food stamp benefits

County employees and retailers can act as an authorized representative with written approval of the County Director if it is determined that there is no one else available.

- Individuals serving a disqualification for:
 - IPV
 - Drug Felony
 - Fleeing Felon
 - Parole/Probation Violators
 - Receiving duplicate benefits
 - Trading benefits

These individuals must not act as authorized representative during the disqualification period unless they are the only adult household member and there is no one else to act on the households behalf.

• Homeless meal providers

The State Office may disqualify an authorized representative from participation for one year if the authorized representative:

- Misrepresented a household's circumstances, or
- Knowingly provided false information pertaining to the household, or
- Made improper use of benefits.

Residents of drug or alcohol treatment/rehabilitation centers must apply and be certified through the use of an authorized representative. The authorized representative must be an employee of and designated by the treatment/rehabilitation center.

Residents of group homes may apply for food stamps on their own behalf or through an authorized representative. The group home determines if an individual can apply on their own behalf. If the group home serves as an individual's authorized representative, the group home may use the benefits for food prepared and/or served by the group home or allow the resident to use the benefits on their own behalf.

Notes

MODULE: APPLICATION PROCESSING – 430-05-20



Objective

Provide eligibility workers with the information necessary to process an application and ensure the household the opportunity to participate within the required timeframes.



Module Time

Approximate Time

230 Minutes (3 hours 50 min)

Notes

LESSON: Opportunity to Participate



Purpose

Explain the application process.



eManual References

Opportunity to Participate	430-05-20-05
Filing an Application	430-05-20-10
Application	430-05-20-15
Application Processing	430-05-20-20
Notice of Determination	430-05-20-25
Automatic Notices	430-05-20-30
Withdrawing Application	430-05-20-35
Household Cooperation	430-05-20-40
Refusal to Cooperation with Quality Control	430-05-20-40-05
Failure or Refusal to Provide Information to	
Calculate a Claim	430-05-20-40-10



Policy

For any household that is entitled to expedited services the household must be afforded an opportunity to participate within the expedited timeframes. Federal regulations require that households who do not have an EBT card because the application was mailed in or the applicant is unable to stay for the screening process must:

- 1. Have their application processed postponing the interview and verification if necessary, and
- 2. Receive the notice of eligibility within the 7 day timeframe allowing two days mailing time, and
- 3. Receive F012 "EBT Client Training and Schedule Notice" allowing two days mailing time and allowing the household at least 24 hours within the 7 day timeframe to obtain an EBT card.

PLEASE NOTE: Items 1 through 3 MUST all be completed within 7 days after the date of application (taking into account holidays, weekends, and the fact that any notice generated on a Friday is not mailed until the next working day).

Examples:

- 1. A household requests an application on November 24, is screened, identity is obtained, an EBT card is issued and an interview is scheduled for November 28. The household fails to keep the scheduled interview on November 28. The worker must send F018 Notice of Missed Interview and process the application November 28 postponing the interview and verifications as the household must have benefits no later than December 1. The household is assigned a certification period of two months (November and December). Benefits for the month of December are not issued until the household completes the interview and provides the postponed verifications.
- 2. The county receives an application in the mail on November 5th. The household has no phone so the county sends a notice of a scheduled interview for November 10. At the interview verification of identity is obtained, an EBT card is issued and it is determined that the household is entitled to expedited service. The county must process the application by November 14 as the 6th day is November 15, which is a Saturday.

In this example if based on the information on the application it appears the household is entitled to expedited service, verification of identity is already on file and the household indicated on the application that they do not have an EBT card the county must process the application by November 6. The notice of eligibility and the F012 must be sent that day and are dated November 7. This ensures that the household receives the notice of eligibility and the notice of training for EBT by November 10. November 11 is a holiday and the household must have 24 hours (November 12) to come in, be trained and received the EBT card.

3. A household drops off an application on November 13, provides verification of identity, but is unable to stay for the screening and EBT training. The county attempts to contact the household by phone and is unsuccessful. Based on the information contained on the application, it appears the household is entitled to expedited services. The county sends a notice of a scheduled interview for November 17.

The household fails to keep the scheduled interview. The county sends F018 Notice of Missed Interview and must process the application that day. The notice of eligibility and the F012 must be sent that day and are dated November 18. This ensures that the household receives the notice of eligibility and the notice of training for EBT by November 19. The household has November 20 to come in, be trained and receive the EBT card.

Households initially applying that are not entitled to expedited service that have an EBT card, the household must be provided benefits if eligible, prior to the 30th day.

Households initially applying that are not entitled to expedited service that do not have an EBT card must receive the notice of eligibility and the F012 - EBT Client Training and Schedule Notice prior to the 27th day to ensure that the household has an opportunity to participate by the 30th day.

Ongoing cases must be authorized by the last day of the month so benefits are available to the household by the 1st day of each month.

Filing an Application

Counties must encourage a household to file an application for the program if the household expresses concerns about food insecurity. An application form must be provided to anyone making a request. A household must file an application by submitting the form to the county either in person, through an authorized representative or by mail. A household has the right to file an application on the same day contact is made at the county during office hours.

Households must be informed that receiving Food Stamps does not have any bearing on any other program's time limits that may apply to the household.

Applications signed through the use of electronic signature techniques and applications containing handwritten signatures, which are then transmitted to the county office via fax or other electronic transmission techniques are acceptable means of filing a food stamp application.

If a household requests an application be mailed by telephone or in writing,, it must be sent to the household on the same day the request is made.

A household must be advised that it does not have to be interviewed before filing an application.

Counties must forward an application filed in the wrong county by the applicant to the correct county the next day by any means that ensures the application

arrives at the appropriate county office the day it was forwarded (via fax or courier). The household must be informed that its application will not be considered filed and the processing standards must not begin until the appropriate office receives the application.

Application

An SFN 405 - Application for Assistance is considered incomplete if it contains only the applicant's name, address and signature of a responsible household member or authorized representative. The household must be advised that it does not have to be interviewed before filing the application and may file an incomplete application form. (A completed Part II is considered an incomplete application.)

An SFN 405 - Application for Assistance is considered a completed application if it contains the client's name, address, household composition, income, assets, the signature of the applicant, responsible household member or authorized representative.

The date of application is the date the county receives a signed SFN 405 – Application for Assistance. The date of application for a faxed Application for Assistance is the date the county receives it. If a faxed Application for Assistance is received on a weekend or holiday, the date of application is the next working day. The county must document the date an application is filed by recording the date it was received on the application.

For residents of institutions who apply prior to release, the date of application is the date of the release.

An individual's signature on the application attests to providing full information and to understanding the reporting requirements of the program.

Application Processing

The application process includes completing and filing a SFN 405 – Application for Assistance, being interviewed, and having certain information verified. A household's eligibility is determined for the month of application by considering the household's circumstances for the entire month of application. The worker must act promptly on all applications and provide food stamp benefits retroactive to the month of application to those households that have completed the application process and have been determined eligible. Expedited services must be available to households in immediate need. **Federal regulations require that formal action (approval, denial, or withdrawal) be taken on all applications for the month in which an application is received.**

Notice of Determination

The worker must send a notice of approval, denial, or pending status to the household, utilizing the appropriate TECS notice, no later than 30 days **after** the application is filed.

Exception:

If the 30th day falls on a weekend or holiday, the application must be denied on the next working day following the 30th day.

The following notices are automatically sent when an application is approved:

- X217 Telephone Assistance Programs A household can complete and submit this form to their telephone provider to receive a monthly deduction off the basic telephone fee.
- X840 Meal Benefit Notice A household can complete and submit the form to the school to receive free or reduced meals for elementary or secondary school aged children. (Sent out to all open FS cases every fall by the Department of Public Instruction.)

Withdrawing Application

A household may voluntarily withdraw an application at any time prior to the determination of eligibility. This request can be oral or written. The worker must document in the casefile the request for withdrawal and send notice F214 - Denial Application Withdrawn, to the household to confirm the withdrawal. The household must be advised of its right to reapply.

Household Cooperation

To determine eligibility, the application form must be completed and signed, the household or its authorized representative must be interviewed, and certain information on the application must be verified.

If a household refuses to cooperate with a worker in completing the application process, the application must be denied at the time of refusal. For a determination of refusal to cooperate, the household must be able to cooperate, but refused to take the steps necessary to complete the application process. If there are questions as to whether or not the household failed to cooperate versus refused to cooperate, the application must not be denied.

A household is not ineligible when a person outside of the household fails to cooperate with a request for verification.

Exception:

Ineligible or disqualified household members are considered household members for this provision.

Once a household has been denied for refusal to cooperate, a household may reapply but is not eligible until it cooperates.

Refusal to Cooperate with Quality Control

Household cooperation with Quality Control is a requirement of eligibility. If a food stamp case had been closed for refusal to cooperate and the household reapplies, the application must be denied. The household is not eligible until it cooperates with Quality Control.

If a household reapplies 95 days after the end of the annual quality control review period (January 3rd of each year), the household must not be denied for refusal to cooperate, but it must provide all mandatory verifications before it can again be certified. Quality Control will notify workers of the earliest date a household can be eligible.

Examples:

- 1. Quality Control randomly sampled a Food Stamp household for the review month of September 2004, FFY 2004. Household refused to cooperate with Quality Control. The county agency is informed by Quality Control to terminate the household's eligibility following the 10-day advance notice period. The earliest date the Food Stamp household can be eligible for Food Stamps without cooperation with Quality Control is January 3, 2005.
- 2. Quality Control randomly sampled a Food Stamp household for the review month of October 2004, FFY 2005. Household refused to cooperate with Quality Control. The county agency is informed by Quality Control to terminate the household's eligibility following the 10-day advance notice period. The earliest date the Food Stamp household can be eligible for Food Stamps without cooperation with Quality Control is January 3, 2006.

Failure or Refusal to Provide Information to Calculate a Claim

Households must cooperate in providing information necessary to calculate a claim.

If a household's case closed for failure or refusal to provide information necessary to calculate a claim and the household reapplies for food stamp benefits, the household must cooperate and provide the necessary information. If the household fails or refuses to provide the necessary information at the time of application, the application must be denied.

If a household failed or refused to provide information necessary to calculate a claim on a closed case and the household reapplies for food stamp benefits, the household must cooperate and provide the necessary information. If the household fails or refuses to provide the necessary information at the time of application, the application must be denied.

Notes

EXERCISE: One - Interviewing - Self Assessment



Please answer the following with "Yes" or "No":

1.	Do you take the time to prepare for the interview?
2.	Do you define a client's situation before seeing the client?
3.	Do you define and clearly state the purpose of the interview?
4.	Are you polite and businesslike and keep your emotions in check?
5.	Do you accept the answers on the application at face value?
6.	Do you ask follow-up questions based on the answers given in the interview?
7.	Do you listen to the answers you solicit from clients?
8.	Do you ask simple, direct questions?
9.	Do you take time to analyze connections between information on the application and answers given in the interview?
10.	Do you lead clients to answers?
11.	Do you have difficulty keeping the interview on track?
	Do you take notes on dates, names, spellings, and figures during the interview?

LESSON: Preparing for the Interview



Purpose

Explain why to prepare for client interviews and some helpful recommendations.



eManual References

Things to do Before the Interview

430-05-20-45-15



Policy

No matter whether you are completing an application or recertification, always start with your agency casefile for background information before conducting the interview. Read the last narrative. Compare information from prior applications or recertification applications to information contained on the current application. Make note of differences or conflicting information so that questions can be asked during the interview.

As an eligibility worker, you probably tend to rely on your abilities learned over time to ask probing questions for information. If you want to find out what clients are saying and are doing, follow a paper trail about what clients are doing. This research leads to accurate case information.

- Verify information given by the client on the application or recertification;
- Provide resources for obtaining information in a questionable case;
- Provide sources of information to verify information in the error prone areas of income, wages, household composition, shelter and utility computations.

Being flexible and having a tentative plan for verifying background information on clients should include:

- Knowing what is available in public and non-public records prior to the interview.
- Knowing what information you want from the face-to-face interview.
- Knowing what information you need after the interview by making phone calls or processing third-party collateral contacts for verification.

If this information is not available (new application) or it is not possible to review everything about the case, then interview to determine what information to check, to fill in gaps or shed light on other information.

Things to do Before the Interview:

- 1. Register the application if it is received prior to the interview.
- 2. Check Motor Vehicle records:
 - a. Check under names of all household members.
 - b. Check under maiden names, alleged absent parent name, or other names used by household members.
 - c. Print the Motor Vehicle screens and check trade-in value.
 - d. Check for expiration date of license and note any unlicensed vehicles.
- 3. Copy the MOIA (Monthly Inquiry Authorization) screens (Function 3 on MOMM menu).
- 4. Read the last narrative.
- 5. Check case alerts.
- 6. Review the last application or recertification form.
- 7. Check IEVS for any alerts that need resolving.
- 8. Check FACSES and New Hire.
- 9. Check DIRE to see if there are any outstanding claims.

10. If there is an outstanding claim, check NOHS to see if the client received a Treasury Offset Notice (TOP). If so, and the application is being approved, contact the State Office so the State Office can set the client to "inactive" in the TOP file and reopen the claim. Recoupment will then begin with allotment reduction. Regulations prohibit collection from TOP if the client is an open food stamp case, unless the client is eligible for a zero benefit.

Notes

LESSON: Opening the Interview



Purpose

Provide eligibility workers with the information needed to conduct a positive interview and give the client information on the purpose of the interview.



eManual References

Interviews 430-05-20-45



Policy

Communication is:

- 55% nonverbal
- 43% tone of voice
- 7% words we say

A good opening sets a positive tone for conducting the interview and gives the client important information of two types:

- The purpose and the plan of the interview; and
- The impression that you as a worker are willing, competent, and a friendly assistant in the eligibility process.

As a worker you should:

• Greet the client pleasantly (introduce yourself and indicate a seat to the client using a pleasant demeanor – explain your role, sit, lean toward client using inclusive hand and body gestures and face the client directly whenever possible)

- Ask the client about their knowledge of the program and agency and given any needed explanations (provide information and referrals as appropriate)
- Give the impression that you are willing, competent and friendly (maintain eye contact, offer understanding and clarification)
- Give the client your total attention (you are providing a servicewhat kind of service do you expect to receive when you go for an appointment?)
- Explain the application process (explain any delay or long waits prior to the appointment and how long the interview is expected to last)
- Use common terms (do not use jargon or quote rules without an explanation)
- Give attention to the application (clarify information, complete/correct information on the application, reflect the content back to the client)
- Make needed entries on the application using information supplied by the client (document who, what, when, where and why)
- Request documentation (explain why it is needed, how it will be used and discuss collateral contacts)
- Redirect the interview, if necessary (aid client recall, use encouragers, silence can be effective)
- React non-defensively to outbursts directed at the program, agency or yourself. (do not define the conflict as between you and the client, but rather the client and the situation)
- Offer understanding and clarification (maintain a non-judgmental attitude, convey caring and concern, accept the client as a unique human being)
- Keep the interview on track

Types of listening skills:

- A. Selective listening for facts and other information.
 - Obtain specific information.
 - Obtain limited information.
 - A listener can miss information.
- B. Active listening for and reflecting feelings, attitudes, and ideas.
 - Checks meaning.
 - Helps the client identify meaning.
 - Helps the client deal with emotion.
- C. Nonverbal listening for and observing nonverbal cues.
- D. Questioning
 - Open-ended questions.
 - o Questions that solicit views, thoughts, opinions, observations, feelings, and allows a complete client response.
 - Closed-ended questions.
 - O Questions that ask for specific information and can be answered with a brief response.
 - Active listen questions.
 - o Do I hear you saying.....?
 - Following questions.
 - o One or a few words indicating that the listener is interested and wants to know more about the situation.
 - Probing questions.
 - o Picking up on a key item in which the listener is interested and asking a question focused directly on that item.

- Clarifying questions.
 - o Aim to eliminate possible confusion. The listener may ask directly for further information about a puzzling item.
- Confronting questions/statements.
 - o Confronting must be done carefully; it must deal with the "facts" the client has provided, not the worker's privately held feelings about the client or the interview.
 - o Confronting can provide a new, more open basis for building a working relationship.

GETTING STARTED ON THE RIGHT FOOT

Three "core" conditions for a good interview:

- 1. Empathy
 - a. Tune into the client's emotions
 - b. Communicate what you understand
 - c. Keep your own objectivity
- 2. Respect
 - a. Maintain a nonjudgmental attitude
 - b. Convey caring and concern
 - c. Accept the client as a unique human being
- 3. Desire to Help
 - a. Give clear communications
 - a. Do not send mixed messages

LESSON: Questions Related to the Application for Assistance



Purpose

An explanation of how to formulate open-ended questions to enhance the interview process to produce accurate eligibility determinations.



eManual References

Application for Assistance

SFN 405



Policy

The emphasis with the Application for Assistance form questions is gaining precise information and focusing applicants/recipients on specific points.

Questions on the Application for Assistance form are answered with a "Yes", "No" or a simple fact, so it's an excellent tool for obtaining basic eligibility information. Skilled eligibility workers, however, do not rely solely on the prepared list of the Application for Assistance form questions, but frequently finds themselves asking lots of follow-up questions. Skilled eligibility workers get answers to questions they didn't even know at the outset they were going to ask.

The goal of the investigative interviewing stage is to acquaint you with how to make effective inquires, known as open-ended questions, to gather new information or to clarify information on the Application for Assistance form.

This lesson tells you what to do to formulate effective open-ended inquires in relation to most questions asked on the Application for Assistance form. The materials presented here are designed to help you understand what skilled interviewers can do and provides you with specific open-ended questions and methods.

The material focuses on specific follow-up questions to most of the Application for Assistance form questions, and special emphasis is placed in the area of income, household composition and shelter expenses.

Because no one question or method is appropriate for every situation, you as an eligibility worker can make a difference if you combine the ideas here with your own knowledge, experience and interviewing style.

Household Composition

Fill in all spaces for everyone who currently lives with you, whether you consider them household members or not. Also list anyone who is temporarily absent. List yourself first, then your spouse, your children (including unborn children), then other adults and children living in your home. If you need additional space, please continue on a separate sheet of paper. If you are only applying for Medicaid, Healthy Steps, or the Medicare Savings Programs, you do not need to provide the social security number and citizenship status for those who you do not want covered. If you are only applying for Food Stamps you do not need to list unborn children or answer questions regarding race/ethnicity or any other question marked with a solid box (III) (this will not effect your application). County staff will complete this information if it is not answered.

								•	OPTIONA	L
	DUSEHOLD MEMBERS ENTER LEGAL NAME) MIDDLE	LAST	SOCIAL SECURITY NUMBER	BIRTHDATE	RELATIONSHIP TO PERSON COMPLETING APPLICATION	US CITIZEN (Yes or No)	MARITAL STATUS **	SEX	RACE *	HISPAN (Yes or No)
					SELF					
	S: WH - White		n Indian/Alaska Native NM - Never Married			HP - Nation	ve Hawaiiar W1 - V			
ther names used	by any household r	members (maid	len name, prior married	name, etc.)						

Follow-up questions regarding household composition.

- Household composition now and previously? (Are there changes since the last active application for assistance?)
- Check and ask about all names previously included on other applications. "I notice on previous applications, you had (names) listed in your home. Tell me what happened to them since they are no longer listed."
- Is anyone staying with you?
- Does everyone listed live in your house?
- Is everyone who lives with you listed on the application/recertification?
- Is anyone you listed not currently living in your home?

Income Information:

Carefully go over the income (both unearned and earned income sections) and employment sections of the application or recertification. Assess the entire situation. Does the client's circumstances and course of action make sense to you? Is it realistic?

Many sources of unreported income can be detected by evaluating the circumstances. Are employable adults employed? Are students receiving loans or grants? Do the children have income? Always review the client's training and educational background. Ask leading questions such as "you have a license in cosmetology, are you currently doing hair?" Inquire as to why they are not employed.

			INCOME INFORMATION	ON		
JNEARNED INCOME:						
Do any household members, inclu total amount of income, before de	iding ch eduction	nildren, l ns, in th	nave any of the following income e "Amount" column. Proof of all	? Check yes or no for lincome must be pro	or each item. If y vided.	es, enter the
	YES	NO	RECEIVED BY WHOM	HOW OFTEN RECEIVED	AMOUNT THIS MONTH	AMOUNT NEX MONTH
BIA General Assistance						
Bingo/Gambling Winnings						
Child Support or Alimony						
Contract Sale or Rental Income						
Financial Aid for Students						
Income from Roomer/Boarder						
Individual Indian Monies (IIM)						
Insurance/Lawsuit Settlement						
Interest/Dividend Income						
Money from Friends, Relatives or Others						
Oil/Mineral Rights/Royalties						
Pension/Retirement Benefits						
Railroad Retirement Benefits						
Social Security Benefits						
Supplemental Security Income						
TANF						
Unemployment Benefits						
Veteran's/Military Benefit						
Workers Compensation						
Other: (Specify)						
Has anyone applied for benefits n Social Security, SSI, Workforce S				e explain:		
EARNED INCOME AND EMPLOYN						
SELF-EMPLOYMENT: Is any hous	sehold r	nember		No		
If yes, name of business:			Type of busi			
A complete copy of the most curr the self employment business, pro Tax Returns.	rent Fed ovide in	deral Inc come a	ome Tax return must be provided nd expense ledgers. For Healthy	 If you do not have Steps please provide 	e a current tax ret three years of F	urn that include ederal Income

	any household member ection. List information			-] Yes nal, or tem	□No porary employ	ment for a	III household	d members
f space is needed to I	ist more jobs, enter the	m on a sep	arate sheet	of paper.	Proof of a	Il income mu	st be pro		
HOUSEHOLD MEMBER'S NAME	EMPLOYER'S NAME	GROSS AMOUNT THIS MONTH	GROSS AMOUNT NEXT MONTH	HOURS WORKED PER WEEK	HOURLY	AMOUNT OF TIPS/ COMMISSION	HOW OFTEN PAID	DAY(S) OF WEEK/ MONTH PAID	DATE OF NEXT PAY- CHECK

LOOK FOR THESE TYPES OF INCOME NOT LIKELY TO BE REPORTED:

• Part-time employment:

Paper routes Babysitting

Sewing Crafts sales (street vending)

Housecleaning

• Gifts:

From anyone unlikely to want it verified

From a parent for child support, especially when paid directly to the client

From friends

From employers (including bonuses and Christmas gifts)

From charitable organizations

From relatives

• In-kind Income:

Shelter Utilities Food Clothing

Transportation

• Odd Jobs: including those listed under part-time employment above

Lawn and Garden Work

Harvesting and other Seasonal Labor

Hauling

Carpentry

Snow Removal

- New Jobs especially if part-time or if the client does not think the job will last.
- Tips

Student Status:

			STUDEN	T STATUS			
is any household member a student?							
STUDENT	GRADE	WHERE ATTENDING SCHOOL	* STUDENT STATUS CODE	STUDENT	GRADE	WHERE ATTENDING SCHOOL	* STUDENT STATUS CODI
* Student Status Codes:							
PT - Part Time/H		FT - Full Time	HG - Half Time (Graduate FG - Fu	ıll Time 0	Graduate CP - Corre	spondence

Follow-up questions on student status:

- Is a 16-17 year old in school?
- Has anyone been in school within the past year?
- Is anyone in school currently?
- When did the client start school?
- How long will the client be going to school?

Additional questions to ask if the household contains a student of higher education:

- Does the student have a joint checking account with another household member?
- Does the student deposit financial aid, earnings or other money into a joint account?
- Does the student pay any household expenses such as rent, mortgage, or utilities?

Expenses:

EXPENSE INFORMATION	ON			
Does your household have any of the following expenses? Check yes or no for e Proof of expenses must be provided. You will not receive a deduction for an	ach item / allowa	and lis	t amounts. ense you fail to repo	ort and verify.
	YES	NO	TOTAL AMOUNT	AMOUNT YOU PAY
Rent/Mortgage (circle one)				
Lot Rent				
Do you pay separately for the use of a garage?				
Is anyone working off any part of the rent?				
Does any government agency pay any part of your rent?				
Property taxes (not included in mortgage)				
Homeowners insurance (not included in mortgage)				
Electricity				
Air conditioning costs?				
Heating costs (gas/propane/electric, etc.)				
Do you receive or intend to apply for fuel assistance (LIHEAP)?				
Water/well installation or maintenance				
Sewer/Septic tank installation or maintenance				
Garbage				
Telephone				
AGENCY USE Household is entitled to one of the following mandatory utility standards: LU SA (Water, sewer, garbate, electric	ity, telep	hone)	MU (water, sewe	r, garbage, electricity y)
Health insurance premiums (list only for persons age 60 or over or who receive disability benefits)				
Medical expenses (List only for persons age 60 or over or who receive disability benefits)				
Do you expect any changes in expenses next month? If yes, explain: ☐ Yes ☐ No				
Does anyone help you pay these expenses?	s, who i	s payin	g, and how much is	paid:
12				

Follow-up questions on shelter expenses:

- Does the client pay the entire rent or mortgage payment? If not, who is responsible for the remaining portion of the expense?
- Whose name is on the utility and phone bills? If other than the client, is the client responsible to pay those bills?
- If the household claims no income, who is paying the shelter expenses?
- If shelter expenses are paid by someone outside of the household, is the payment considered a loan or a vendor payment?

- If not a loan or vendor payment, is it income to the food stamp household?
- If these expenses are not being paid and are overdue, does the household have verification that these expenses are not paid and overdue?

Follow-up questions on medical expenses:

- Do you have dental insurance?
- Do you have insurance that covers prescriptions?
- Are the expenses listed for persons elderly or disabled or do they include other household members?

Notes

EXERCISE: One - Interviewing and Household Composition



Food stamp household comes in for a recertification interview and consists of Dad, Mom, three children ages 10, 14 and 19 and her 1 year-old child. At the last recertification, household composition consisted of two children ages 10 and 14.

What questions would you ask this household when conducting the interview?

1.	When did the 19 year old and 1 year old grandchild move into the
	household?
2.	Why wasn't this reported at the time they moved in?
3.	Is the 19 year old employed?
4.	Is the 19 year old a student?
5.	If the 19 year old is a student, are there day care expenses for the 1
	year old child?
6.	Is the 19 year old receiving child support income? If not,
	why?

EXERCISE: Two - Interviews and Income



Initial application - household consists of Dad, and two children ages 15 and 17. On the application Dad reports the only source of income in the household is from a job at Super Valu.

What questions would you ask this household when conducting the interview?

1.	Are you receiving child support for the two children?
2.	If not, why?
3.	Are the 15 year old and 17 year old attending
	school?
4.	Does the 15 year old have any income?
5.	Does the 17 year old have any income?
6.	Is there any other money coming into your household? (Gifts,
	rummage sale, etc).
7.	Is there any other money such as a paper route, yardwork,
	babysitting, tips, etc?

EXERCISE: Three - Interviews and Student Status



At recertification, Mom reports that she is attending college fulltime and there is no reported income. The household consists of Mom and two children ages 10 and 17.

What questions would you ask this household when conducting the interview?

1. Is the 17 year old attending school?

2.	Does the 10 year old have any income?
3.	Does the 17 year old have any income?
4.	Do you receive any financial aid or work study income?
5.	Do you receive child support income? If not, why?
6.	How are you paying for personal needs items (i.e. paper products,
	shampoo, etc)?
7.	How are you paying your shelter expenses?
8.	If paid by someone outside of the household, is the payment
	considered a loan?
9.	If these expenses are not being paid and are overdue, do you have
	verification that the expenses are not paid and overdue?

EXERCISE: Four - Interviews and Expenses



On the initial application a household reports Mom, Dad, a 16-year-old child, Mom's sister and her 1 year old and 3 month old on the application. They purchase and prepare meals together. They indicate a mortgage payment, homeowners insurance, property taxes, heating costs, water, sewer, garbage and telephone costs?

What questions would you ask this household when conducting the interview?

l .	Who incurs the expenses?
2.	Do you charge sister rent or utility expenses?
3.	Is the sister responsible for any of the household expenses and if so,
	which expenses?
١.	Does she pay specific expenses?
5.	Does she give you money for expenses?
5.	If she does not give you money for these expenses, does she pay them
	directly to the vendor?

LESSON: Effective Inquiries



Purpose

To provide eligibility workers with specifics on how to gather accurate information, clear up discrepancies, and collect new information for correct case determinations.



Policy

When a person comes to an interview with an Application for Assistance or Recertification Application, your task as an eligibility worker is to decide whether open or closed inquires are appropriate. A closed inquiry, or closed ended question can be answered with a "YES" or "NO", or a brief factual answer. In contrast, an open ended question usually requires a more elaborate response.

To formulate and make open inquiries, you should:

- 1. Give clients a greater opportunity to discuss topics relevant to the situation.
- 2. Gather information to explore and clarify discrepancies in client information.
- 3. Encourage clients to fill in gaps or shed light on the information already given on the application.

If, as an interviewer, you feel the client has not completed an answer or is hesitant to go on, remain silent for a few moments (perhaps using eye contact, facial expressions, or head nodding) and let this pause encourage the client to continue. If this fails, you can employ "nudging" probes, such as the following:

- "I see."
- "Go on."
- "And then?"
- "Tell me more."
- "Please continue."

• "Yes"
"What happened next?"
• "Uh huh?"
• "Hummm."
If you feel the client has given a superficial answer, you might use phrases such as the following to begin your secondary question:
• "Tell me more"
• "What happened next?"
• "How did you react to?"
"Explain further the point that"
"What did you do after?"
• "Why did you?"
• "What caused you to?"
If you think the answer is vague try including generalities or specialized terms by responding:
• "I'm not sure I understand your point."
"What did you have in mind, when you said?"
• "Please define for me?"
"What did you mean by you were laid off?"
• "How much money?"
If an answer seems to suggest a feeling or attitude, you might ask:
"What caused you to feel that way?"
"What do you think happened?"

"What do you mean by seems?"

"How did you react?"

The application form contains closed inquiries, specific to topics important to eligibility and benefits. There are situations when answers to the application questions can stand alone as a closed inquiry and you decide an open inquiry is not appropriate.

In short, the questions that are not asked on the application form are the ones that can make the difference in gathering accurate information, clearing up discrepancies, and collecting new information for correct case decisions.

When making effective open-ended inquiries from the application form's closed ended questions, here are some key points to remember:

- Questions that begin with "WHAT" are primarily for factual information.
- Questions that begin with "COULD, COULD YOU, CAN YOU" ask for more detailed answers. The client has to come up with a response and has to be responsible for their answer.
- Questions that begin with "WHY" are intended to ask the client to clarify information, but usually make a person defensive. Why questions tend to place blame, i.e. "Why did you?" can be rephrased to "What caused you to do that....?"
- Questions that begin with "HAVE YOU EVER" suggest an answer.

Notes

LESSON: Effective Mannerisms



Purpose

Provide eligibility workers with various approaches (methods) that are crucial to interviewing. These methods emphasize gaining concise, accurate, and timely client statements and organizing the information.



Policy

An atmosphere of mutual trust and respect is essential to eligibility worker interview situations and how you conduct the interview determines this atmosphere. One truism remains: treat a person with respect and he/she will do the same to you.

No tricks, ploys, or jargon will substitute for the impression you make as a person. Play it dead straight – be what you are and people will ultimately respond to you not as an eligibility worker, but as another human being.

The following effective mannerisms will help to establish an atmosphere of trust and respect and to achieve your purpose of getting a specific set of data to make correct case decisions. Finally, you establish rapport to get the information you need and make the client feel he/she can trust you.

- Don't interrupt when a person is talking.
- If you miss a point, rephrase what was said and ask if you understood him/her correctly.
- Ask follow-up questions in a mater-of-fact manner, no matter how sensitive.
- If a person is on guard at the outset, start talking about non-threatening or general subjects, i.e. weather, for several minutes to relax the client.
- Listen carefully to all answers.

LESSON: Telephone Interviewing



Purpose

Provide eligibility workers with the information necessary to conduct effective telephone interviews.



Policy

The telephone offers the eligibility worker and the client tremendous advantages: no need for time consuming face-to-face interviews; use of a shoulder clip or headset for the phone frees both your hands for note taking; application and other case materials can be kept at your fingertips spread out on your desk; you can touch base with several different sources in the time it might take for one face-to-face interview.

Interviewing by phone removes dress appearance and non-verbal communications as potential biasing factors. Telephone interviews should always be scheduled in advance.

Before conducting a telephone interview, prepare for the call by having the casefile available. Determine the purpose of the call and the points you wish to discuss.

Telephone interviewing is not a method that is as wide and deep as face-to-face interviewing. Because you do not have eye contact and body language, the delivery must be simple and understandable.

These simple courtesies will help ease the way to effective telephone interviewing:

- Speak clearly, distinctly, and calmly. Try to put a friendly quality in your voice which is the only means you have to establish rapport.
- Quickly identify yourself and your purpose.
- Unless the call is brief, indicate the estimated duration of the interview.

- Do not allow long unexplained silences on the phone. Note taking by you is one reason for interview silences explain you will need just a moment to take some notes.
- The best voice is low pitched, pleasantly confident and cordial.
- Listen carefully.
- Make sure the person has understood what you said.

Notes

EXERCISE: One - Interviews - True or False



- 1. All applicant households must have face-to-face interviews with a worker prior to initial certification? T or F
- 2. The household must report all changes that occur after the interview but before the notice of eligibility is received within 10 days following receipt of the notice? T or F
- 3. The worker must explain to the household the functional capacity of an authorized representative and allow them the opportunity to designate someone? T or F
- 4. A telephone interview may be conducted if the adult household members are unable to come to the office because they are elderly, disabled handicapped, have transportation difficulties or are experiencing other hardships? T or F
- 5. The county is not required to schedule interviews for all applications? T or \mathbf{F}
- 6. If the household fails to appear for the interview the worker may deny the application without further contact with the household? T or F
- 7. The manual outlines the specific lists of activities the worker is to do prior, during and after the interview? T or F

LESSON: Processing Standards



Purpose

Explain the timeframes and procedures for processing new applications to meet the expedited and non-expedited timeframes.



eManual References

Benefit Availability	430-05-20-50-05
Timeframes	430-05-20-50-10
Expedited Processing Standards	430-05-20-50-15
Special Procedures for Expediting Services	430-05-20-50-15-05
Length of Certification Period	430-05-20-50-15-10
30 Day Processing Standards	430-05-20-50-20
Application Use for Two Beginning Months	430-05-20-50-20-05
Denying the Application	430-05-20-50-20-10
Delays in Processing	430-05-20-50-20-15



Policy

An eligible household must be provided with an appointment for EBT card issuance, PIN selection, and training by the date benefits must be made available. The household must be able to transact benefits on or before the seven or 30-day timeframe expires. The case must be worked on the 6th day for expedited cases and on the 29th day for regular cases.

Whenever a household fails to attend an EBT card issuance/training session before eligibility is determined, the household must be notified when benefits are available but card issuance/training must occur before the household can access benefits.

Timeframes

Households requesting, but not entitled to, expedited service must have their applications processed according to 30-day processing standards.

For households entitled to expedited services, benefits must be made available to the household no later than the 7th calendar day following the date an application is filed.

If the household is not eligible for the program for the month of application but is eligible for the program and is entitled to expedited services for the following month, the household must be provided an opportunity to participate within 7 days from the date of application or the 1st working day of the 2nd month, whichever is later.

The worker must process an expedited application on the 6th calendar day to ensure benefits are credited into the household's EBT account by the 7th day. The county must issue an EBT card to the household no later than the 7th calendar day.

Example:

A household applies on May 10. May 11 is day one of the seven-day count. The application must be processed by May 16 so that benefits are available to the household on the 7th day, which is May 17.

If an unsigned application is received, a telephone interview is conducted, and the application must be mailed to the household for signature, the mailing time involved **is not counted** in the expedited service timeframe. Mailing time includes only the days the application is in the mail to and from the household and the days the application is in the household's hands pending signature and mailing. The first day of the expedited count is the calendar day following receipt of a signed food stamp application.

Expedited Processing Standards

County application procedures must be designed to identify households eligible for expedited service at the time the household requests assistance. The household cannot waive its right to expedited service.

If any of the following apply, the household is entitled to expedited services:

- 1. Households with less than \$150 in countable gross monthly income when their assets do not exceed \$100.
- 2. Migrant or seasonal workers who are destitute and countable liquid assets do not exceed \$100.
- 3. Households who have combined countable gross monthly income and countable liquid assets that are less than the household's monthly rent or mortgage and the appropriate mandatory utility standard.

If pre-screening identifies a household as not entitled to expedited service and it is later determined that the household is entitled to expedited services, the processing standard is calculated from the date of discovery that the household is entitled to expedited service.

Example:

An application is filed on May 5 and indicates that the household is not entitled to expedited service. At the interview on May 12 it is discovered that the household has countable income of less than \$150 and countable liquid assets, which do not exceed \$100. The application must be processed by May 17 so benefits are available to the household by the 7th day (May 18).

Part 2 of the SFN 405 - Application for Assistance must be used to screen for expedited services. If the applicant is entitled to expedited services, verification of identity of the applicant must be obtained and the applicant must be issued an EBT card if they do not already have one. The county must ensure that the EBT account is reactivated, if necessary. If the applicant needs assistance in completing the application, the county must provide that assistance.

If the application is mailed in and the county has verification of identity on file, the county must attempt to contact the household to complete the screening process by phone. If the household does not have a phone, the county must schedule the interview to ensure that the expedited time frames are met.

If the application is mailed in, the county does not have verification of identity on file, the county must attempt to contact the household to complete the screening process by phone. If the household does not have a phone, the county must schedule the interview as soon as possible.

There is no limit to the number of times a household can be certified under expedited processing.

Exception:

Before a household is entitled to expedited services when the interview and/or verifications were postponed, the household must have completed the interview and verifications or have since been certified under 30-day processing standards.

Special Procedures for Expedited Services

To expedite the certification process, a worker must use the following procedures.

Interviews

For a household that is entitled to expedited service, the worker must schedule an interview within the first six days. If the household fails to keep the scheduled interview, the worker must send notice F018 – Notice of Missed Interview. This notice informs the household that they are responsible to schedule a second interview. However, benefits must not be delayed beyond the expedited timeframe because an interview has not been conducted.

If a household is entitled to expedited service and is also granted a waiver of an office interview, the worker must conduct a phone interview (unless the household cannot be reached), and complete the application process within the expedited service timeframes.

Identity

In all cases, the applicant's or authorized representative's identity must be verified through readily available documentary evidence or a collateral contact. Verification of identity cannot be postponed.

If verification of identity of the applicant is not provided at the interview, the application must be processed within six days of receipt of verification of identity. **For expedited applications identity cannot be waived**.

Example:

The county receives the application on May 10 and schedules an interview on May 11. Verification of identity was not provided. The household fails to show for this interview. On May 17 the household calls to set up an interview. Worker schedules an interview for May 20.

On May 20 the household comes in for the interview and provides the application and verification of identity. As verification of identity and interview requirements were met on May 20, the worker has until May 26 to meet the expedited timeframe. (The application must be processed by May 25 (6th day from May 20) so that EBT benefits are available to the household on May 26 (7th day)).

Verifications

All reasonable efforts must be made to verify within the expedited processing standards, the household's residency, income, alien status and all other factors, through readily available documentary evidence or a collateral contact. Benefits must not be delayed beyond the expedited timeframe because these eligibility factors have not been verified.

Postponed Interview/Verifications

Expedited households are the only households where the interview and/or mandatory verifications can be postponed. The interview and all mandatory verifications including questionable information (i.e. income, deductible expenses, social security numbers, work requirements, citizenship, job quits, verification of participation in another state, etc.) must be postponed if unable to verify within expedited timeframes.

Exception:

The identity of the applicant or the authorized representative.

The worker must postpone the verifications and interview which normally would be required, if necessary to meet the expedited timeframe.

A household reapplying must not be denied for failure to complete the interview or provide postponed verifications. However, they lose their entitlement to expedited service and are processed under 30-day processing standards, unless they provide the postponed verification and/or be interviewed.

If it is determined that benefits were issued incorrectly because verifications or the interview were postponed in order to meet the expedited time frames, a claim is not established.

Exceptions:

- 1. If the household failed to report information, a claim must be established.
- 2. Agency errors.

Work Requirements

The worker must:

- 1. Require the applicant to complete the SFN 385 Affidavit for Work Requirements, unless exempt
- 2. Require the applicant to complete the SFN 385 Affidavit for Work Requirements for all non-exempt household members. Work requirements for non-exempt household members must be postponed, if necessary, to meet the expedited timeframe.

- 3. Require an authorized representative interviewing on behalf of a household to complete the SFN 385 Affidavit for Work Requirements for all non-exempt household members.
- 4. Postpone questionable exemptions if the expedited service timeframes cannot be met.

Social Security Numbers (SSN)

Expedited households are the only households in which individuals are allowed to participate without a SSN or without proof of application for a SSN for one **full** month of benefits.

In all cases, expedited households must be asked to provide a SSN for each individual in the household.

Exception:

A newborn is allowed to participate without a SSN or proof of application of SSN for six months following the month the baby is born or by the next recertification, whichever is later.

Examples:

The following examples do not include newborns.

- 1. A five person expedited household applies May 1. Two of the five household members do not have a SSN or proof that they have applied. All five individuals are entitled to participate for the full month of May (May 1 through May 31).
 - In this example, the household must be certified for the month of May only, and must reapply for June. If at the time of recertification the two individuals are unable to provide a SSN or proof of application for a SSN, they are ineligible household members (DI) when determining benefits for June or until the SSN is provided. June benefits would be for a three-person household.
- 2. A five person expedited household applies May 2 (anytime after the first of the month). Two of the five household members do not have a SSN or proof that they have applied. All five individuals are entitled to participate for the partial month of May (May 2 through May 31), and the full month of June (June 1 through June 30).

In this example, the household must be certified for no more than the months of May and June and must reapply. If at the time of July recertification the two individuals are unable to provide a SSN or proof of application for a SSN, they are ineligible household members (DI) when determining benefits for July or until the SSN is provided. July benefits would be for a three-person household.

Length of Certification Period

Households that are certified on an expedited basis and have provided all required verifications must be assigned regular certification periods.

1. If verification **other than an SSN** was postponed and the household applied on or before the 15th of the month, the household must be certified for the month of application only.

Example:

A household applies on or before June 15 and verification has been postponed. This household must be certified for the month of June only.

When certified only for the month of application, the worker must send notices F101 - Expedited FS Application Waived Interview/Verification, F802 - Food Stamp 1 or 2 Month Certification Expiration Notice, and provide the household with SFN 407 – Recertification for Food Stamps. The household must reapply and complete the verification, which was postponed in order to qualify for expedited service again.

Exception:

Unless certified under 30-day processing standards since the last expedited application.

2. If verification **other than an SSN** was postponed and the household applied on the 16th of the month or later, the household must be certified for the month of application and the following month. Benefits for the second month **must not be issued** until the interview is completed and all postponed verifications have been provided.

Exception:

If expenses were postponed and not provided, the second benefit month is issued without allowing unverified expenses.

When certified for the month of application and the following month, the worker must send notices F101 - Expedited FS Waived Interview/Verification and F802 - FS 1 or 2 Month Certification Expiration Notice. If the application is processed after the 25th day of the application month (the normal mailing date for recertification applications), the worker must also provide the household with form SFN 407 - Recertification for Food Stamps.

Example:

A household applies on June 16. This household must be certified for the months of June and July. Benefits for the month of June must be processed by June 22. Benefits for the month of July must not be issued until the interview is completed and all postponed verification has been obtained. July benefits are issued no later than the 5th working day from the date the interview is completed and verifications are received or July 1, whichever is later.

If the interview is not completed and postponed verifications are not received by July 31, July benefits are not issued and the case must be closed June 30. The system closes with a "Recert Ending" reason.

PLEASE TURN TO EXERCISE ONE.

30-Day Processing Standards

A worker must provide an eligible household an opportunity to participate as soon as possible, but not later than 30 calendar days **after** the application was filed. Households initially applying that are not entitled to expedited service that **have** an EBT card, must be provided benefits if eligible, prior to the 30th day.

Households initially applying that are not entitled to expedited service that **do not have** an EBT card must receive the notice of eligibility and the F012 - EBT Client Training and Schedule Notice prior to the 27th day to ensure that the household has an opportunity to participate by the 30th day.

An application is filed the day the county receives it. The application must contain the applicant's name, address and on the last page of the application signature of a responsible member of the household or the household's authorized representative.

Example:

An application is received on May 11 and the interview completed on May 20. Verifications are requested and a pending notice is sent informing the household they have until June 10 to provide the verifications. The 30-day count starts May 12.

If the household provides the verifications prior to June 10, benefits must be processed by June 9 so benefits are available to the household by the 30th day (June 10).

If the household provides the verifications on June 10, benefits must be processed on June 10. The casefile must contain documentation stating the reason benefits were not available to the client until the 31st day.

Application use for Two Beginning Months

Because of anticipated changes, a household may be eligible for the month of application, but ineligible for the following month. In this instance the worker must process the application, approve benefits and send an approval notice for the initial month.

The worker must then enter the anticipated changes for the second month and issue a closing notice. This must be done on the same day the initial month is processed to avoid sending a 10-day advance notice. If the second month is not processed on the same day as the first month, a 10-day advance notice is required to close the case.

Similarly, a household may be ineligible for the month of application, but eligible for the following month due to anticipated changes. The worker must deny the month of application and use the same application to pend or approve the second month.

If a household applies and indicates they are not interested in benefits for the month of application, the month of application must be withdrawn/denied in TECS. The same application is then used to pend or approve the second month.

A household may be eligible for a zero benefit due to proration for the first beginning month. The worker must approve the application and a zero benefit must be authorized.

If the initial month is denied, the second month becomes the initial month. If the second month is denied and eligibility is anticipated for the third month, a new application is required.

Denying the Application

Households that are ineligible must be sent a notice of denial as soon as possible, but no later than 30 days following the date the application was filed. If the 30th day falls on a weekend or holiday, the application must be denied on the next working day following the 30th day.

If a household has failed to appear for an interview and has made no further contact with the worker to express an interest in pursuing the application, the worker must send the household a notice of denial on the 30th day following the date of application.

The household must file a new application if further program consideration is desired.

Delays in Processing

When eligibility and an opportunity to participate within 30 days following the date of application is delayed, responsibility for the delay must be determined.

Determining cause for the delay dictates what action (deny or pend) must be taken on the case and whether or not the household is entitled to benefits retroactive to the date of the application.

Delays Caused by the County

When a delay in the initial 30-day determination period is caused by the county:

- 1. Do not deny the application.
- 2. Notify the household by the 30th day following the application date that the application is pending and state the reason.

If the household is found eligible during the second 30 - day period, provide retroactive benefits to the date of application.

Delays Caused by the Household

If a household has failed to complete any part of the application process within the initial 30 - day period, the worker must deny the application using the appropriate notice. However, the worker must have taken the following actions before a delay is caused by the household:

- 1. <u>Failure to Complete the Application Form:</u> The worker must have offered, or attempted to offer, assistance in completion of the application form.
- 2. <u>Failure of Household Member(s) to Register for Work:</u> The worker must have informed the household of the need to complete SFN 385 Affidavit for Food Stamp Work Requirements and given the household at least 10 days from the date of notification to register household members.
- 3. <u>Failure to Provide Required Verification</u>: The worker must have:
 - a. Provided the household with a statement of required verification, and
 - b. Offered to assist the household in obtaining required verification, and
 - c. Allowed the household at least 10 days from the date of request to provide the missing verification.

Examples:

- 1. If the household has failed to appear for the first interview and a subsequent interview is either postponed at the household's request or cannot be rescheduled until after the 20th day but before the 30th day following the application date, the household must appear for the interview, bring verification, and register members for work by the 30th day, otherwise the delay is the fault of the household.
- 2. If the household failed to appear for the first interview and a subsequent interview is postponed at the household's request until after the 30th day following the application date, the delay is the fault of the household.

If the household takes the required action within 60 days following the date of application, the household will receive benefits for the second 30 days only. **Do not** require a new application. If the delay was the result of missing verification, prorate the benefits **from the date verification is provided.**

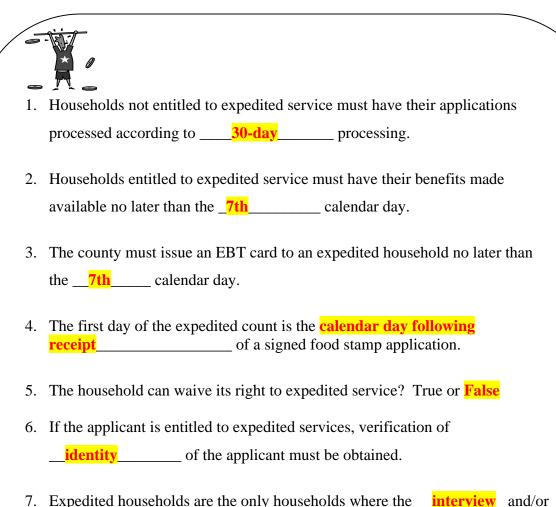
Example:

A household's application was denied for failure to provide verification on May 17 (30^{th} day). On June 10 the household provides the requested verifications. The application that was denied must be registered with a benefit start date of June 10.

PLEASE TURN TO EXERCISE TWO

Notes

EXERCISE: One - Processing Standards



- _____ can be postponed.
- 8. Households eligible for expedited services that apply before the 15th of the month and mandatory verifications have been postponed are given a __one____ month certification period.
- 9. If verifications are postponed and the household applied after the 16th of the month the case is certified for two months and benefits for both months are issued. True or False
- 10. When certified for the month of application and the following month, the worker must send notices F101 Expedited FS Waived Interview/Verification and F802 FS 1 or 2 month Certification Expiration notice.

EXERCISE: Two - Processing Standards - True or False



- 11. Households initially applying that are not entitled to expedited services that do not have an EBT card must receive the notice of eligibility and the F012 EBT Training and schedule notice prior to the 27th day to ensure the household has the opportunity to participate by the 30th day? T or F?
- 12. Because of anticipated changes the household may be eligible for the month of application, but ineligible for the following month? T or F?
- 13. In the above example the worker needs only to process the month of application and send approval notices? T or F? The worker must work the second month and send appropriate closing notice.
- 14. Households eligible for a zero benefit due to proration for the first beginning month must be approved and a zero benefit authorized? T or F?
- 15. If the initial month is denied and the second month is denied the worker can process the third month with the same application? T or F?
- 16. If a household fails to appear for the interview and makes no further contact with the worker the household must be sent a notice of denial on the 30th day following the date of application? T or F?
- 17. When eligibility and an opportunity to participate within 30 days following the date of application is delayed, responsibility for the delay must be determined and documented? T or F?

LESSON: Mandatory Verifications



Purpose

Explain the mandatory verifications required when processing an application. Also review the various acceptable sources of verification.



eManual References

Verifications	430-05-20-55
Notice of Required Verifications	430-05-20-55-05
Responsibilities for Obtaining Verification	430-05-20-55-10
Sources of Verification	430-05-20-55-15
Alien Status	430-05-20-60-05
Social Security Numbers	430-05-20-60-10
Identity	430-05-20-60-15
Residency	430-05-20-60-20
Disability	430-05-20-60-25
Gross Income	430-05-20-60-30
Deductible Expenses	430-05-20-60-35
Questionable Information	430-05-20-60-40



Policy

Notice of Required Verification

The worker must provide each household Part One of the SFN -405 "Application for Assistance" at the time of application, which informs the household of the verification requirements the household must provide as a part of the application process. This does **not** serve as documentation of a request from a worker for verification.

Responsibilities for Obtaining Verification

The household has primary responsibility for providing documentary evidence to support statements on the application and to resolve any questionable information. Households may supply documentary evidence in person, through the mail, by fax or e-mail, or through an authorized representative. The worker must not require the household to present verification in person.

The worker must accept any reasonable documentary evidence provided by the household and must be primarily concerned with how adequately the verification proves the statements on the application.

When it is difficult or impossible for the household to obtain the documentary evidence in a timely manner, or the household has presented insufficient documentation, the worker must either offer assistance to the household in obtaining the documentary evidence, or must use a collateral contact or a scheduled home visit.

Sources of Verification

Acceptable sources of verification include documentary evidence, collateral contacts, home visits and system interfaces.

Documentary Evidence

Documentary evidence is written confirmation of a household's circumstances and must be used as the primary source of verification for all items except residency and household size. If the household cannot obtain documentary evidence, the worker may require collateral contacts or do a scheduled home visit. Residency and household size may be verified through any other source of verification.

Examples:

Wage stubs, rent receipts and utility bills.

Acceptable verification is not limited to any single type of document and may be obtained from the household or another source.

Whenever documentary evidence is insufficient to make a determination of eligibility or benefit level, the worker must pend the application and request sufficient verification from the household.

Collateral Contacts

A collateral contact is a verbal confirmation of a household's circumstances by an individual outside the household and is used when documentary evidence is insufficient or incomplete. The collateral contact may be either in person or over the telephone. The worker must rely on the household to provide the name of any collateral contact. The household may request assistance in naming a collateral contact.

A collateral contact can be any third-party verification of the household's statements. The worker is responsible for obtaining verification from acceptable collateral contacts, which include but are not limited to:

- Employers
- Landlords
- Social service agencies
- Community Action agencies
- Migrant service agencies

Once the household has supplied the name of a collateral contact or has asked the worker for assistance in locating a collateral contact, the worker must promptly contact the collateral contact or otherwise assist the household in obtaining the necessary verification.

When the collateral contact designated by the household is unacceptable, the worker must ask the household to name another collateral contact or substitute a scheduled home visit.

The county should only disclose the information that is absolutely necessary to get the information being sought. The county should avoid disclosing that a household has applied for food stamps and should not disclose any information provided by the household. Counties should not suggest that a household is suspected of any wrong doing.

Home Visits

Home visits are used on a case-by-case basis when documentary evidence or collateral contacts are insufficient or cannot be obtained. A home visit must be scheduled in advance with the household.

System Interfaces

Workers have access to the following interfaces that are acceptable types of verification:

- BENDEX (SSA Info)
- SDX (SSI Info)
- TPQY (SSA/SSI/40 Qtrs)
- New Hire (on FACSES)
- IEVS (Tax Info/Wage hits/Unemployment Benefits a month behind)
- NUMIDENT (verification of SSN)
- Motor Vehicle (Vehicle ownership information)
- FACSES (Child Support Information)
- Unemployment Interface (Unemployment Benefits Current)

Narrative/Documentation

Casefiles must be documented to support eligibility, ineligibility, and benefit level determinations. Documentation must be detailed to permit a reviewer to determine the reasonableness and accuracy of the determination.

Where verification was required to resolve questionable information, the worker must document why the information was considered questionable or at a minimum, indicate where the inconsistency exists, and what documentation was used to resolve the questionable information.

The worker must document the reason why a collateral contact or home visit was needed.

The worker must also document the reason a collateral contact was unacceptable and an alternate requested.

Good documentation habits save time. Documentation need not be lengthy and no specific format is required but it must address the following:

- Who did the information come from?
- What was the information received?

When was it received?

- Why is the information pertinent?
- How was the information treated?

Alien Status

Only eligible aliens are entitled to participate in the program. Alien status must be verified using acceptable verifications listed in the Alien section of Households with Special Circumstances.

Social Security Numbers

All households participating in or applying for participation in the program must furnish the SSN of each household member, or apply for one, before certification. If individuals have more than one number, all numbers are required. It must be explained to applicants who refuse or are unable to provide a SSN that the individual for whom a SSN is not obtained will be disqualified.

However, certification of an otherwise eligible household must not be delayed solely to validate any member's SSN, even if the 30-day processing period has not expired.

If verification of an already reported SSN is not completed at initial certification, it must be completed at the time of or prior to the household's next certification. The SSN must be verified in one of the following ways:

- 1. A copy of each household member's Social Security Card.
- 2. Matching the reported SSN with information supplied by the SSA such as BENDEX or SDX System computer tapes or printouts, or NUMIDENT.
- 3. Proof of application for a SSN.
- 4. Accept verification of a SSN(s) already verified through TANF, Medical Assistance or similar programs.

A SSN will be reverified only if the identity of the individual or the SSN becomes questionable. (Such as Numident Indicator showing "T")

Obtaining Social Security Numbers

Individuals who do not have a SSN must be informed that a SSN may be obtained by completing Social Security Form SS-5 and submitting it to the Social Security District Office along with copies of documents used in establishing age, identity and citizenship.

Households must be informed that proof of application for SSN is required and must be requested from SSA. Form SSA-5028, Receipt for Application for a SSN, is normally used by SSA as evidence that an individual has applied for a SSN.

Obtaining SSNs for Newborns

If the household is unable to provide proof of application for a SSN for a newborn, the household must provide the SSN or proof of application at it's next recertification or within six months following the month the baby is born, whichever is later.

A completed Form SSA - 2853, Message From Social Security or documentation from the hospital is considered proof of application for a SSN for a newborn. This receipt form is given to the mother by the hospital verifying a SSN was requested for a newborn. In those instances where the hospital does not provide the Form SSA - 2853 or documentation, a collateral contact to the hospital is acceptable.

If the household is unable to provide a SSN or proof of application for a SSN at its next recertification or within six months following the baby's birth, the worker must determine if the good cause provisions are applicable.

If it is determined that good cause does not exist, the child is an ineligible household member and must be set to "DI". The following example describes the procedure to follow at initial application:

Example:

The application date is March 10 and the four-month-old child in the household does not have a SSN. The system will pass the SSN criteria for the child and the application can be authorized.

In the recertification month of November, the system checks the child's age which is now greater than six months old. There must be a SSN or SS-5 date or the case fails. The child's participation must be set to "DI" for the benefit month of December and benefits authorized for the remaining household members, if otherwise eligible.

Participation While Awaiting Social Security Number

Once a SSN application has been filed, the member must be allowed to participate pending notification of that member's SSN.

Failure to Comply

If a household member has refused or failed without good cause to provide or apply for a SSN, that individual is ineligible to participate in the program. The disqualification applies to the individual for whom the SSN is not provided, not the entire household. The income and assets of the disqualified individual are counted as an ineligible household member. The correct participation code in TECS for these individuals is "DI".

Determining Good Cause

In determining if good cause exists for either failure to apply for a SSN or failure to provide a SSN, information from the household member and SSA must be considered.

SSA makes provisions for mailing an application in lieu of applying in person. Good cause does not include delays due to illness, lack of transportation or temporary absences.

If the household member can show good cause why an application for a SSN was not completed in a timely manner, that individual must be allowed to participate for one month in addition to the month of application. Good cause for failure to apply for a SSN must be shown monthly in order for the household member to continue to participate.

Ending Disqualification

The ineligible household member(s) may become eligible upon providing a SSN, which must be verified by the next recertification

Use of Social Security Number

Workers are authorized to use SSN(s) in the administration of the Food Stamp Program. The SDX must be utilized. Whenever possible, SSN(s) must be used to prevent duplicate participation, to facilitate mass changes in Federal benefits, and to determine the accuracy and/or reliability of information given by households.

Identity

The identity of the individual making application must be verified. When an authorized representative applies on behalf of a household, the identity of **both** the authorized representative and the head of household must be verified.

Identity may be verified through readily available documentary evidence, or if this is unavailable, through a collateral contact. Any documents that reasonably establish the applicant's identity must be accepted and no requirement for a specific type of identity verification document may be imposed.

Acceptable documentary evidence includes but is not limited to:

- Driver's license
- A work or school identification.
- An identification card for health benefits, other assistance or social service program.
- Wage stubs
- Birth certificate

Residency

Residency must be verified.

Exception:

Eligible households are not required to reside in a permanent dwelling or have a fixed mailing address as a condition of eligibility.

Documents used to verify other factors of eligibility should normally suffice to verify residency as well.

If verification cannot be accomplished in conjunction with the verification of other information, the worker must use a collateral contact or other readily available documentary evidence. Any documents or collateral contact which reasonably establish the applicant's residency must be accepted and no requirement for a specific type of residency verification imposed.

Durational residency requirements are prohibited. Individuals in a county solely for vacation purposes are not considered residents.

A household must be living in the county in which it files an application for participation.

No individual may participate as a member of more than one household, or in more than one county or state in any one month.

Exception:

An individual who is a resident of an abuse shelter and was a member of a household containing the abuser.

The application must include both the mailing address (if there is one) and the physical address.

Disability

Disability is verified as follows:

- 1. Proof of eligibility for SSI, presumptive SSI or SSA disability payments.
- 2. A statement from the Veteran's Administration which clearly indicates that:
 - a. The disabled individual is receiving Veteran's Administration disability benefits and that the disability is rated or paid at a 100% rate under Title 38 of the United States Code.
 - b. The veteran or surviving spouse when in need of regular aid and attendance or permanently housebound under Title 38 of the United States Code is receiving VA disability benefits or a surviving child of a veteran who is considered by the VA to be permanently incapable of self support under Title 38 of the United States Code.
- 3. Use the SSA permanent disability list to verify that a surviving spouse or surviving child of a veteran considered by VA as entitled to compensation for a service connected death or pension benefit for a non-service connected death under Title 38 of the United States Code and has a disability considered permanent.

If it is obvious that the individual has one of the listed disabilities, make a casefile notation. If the disability is not obvious, the household must

provide a statement from a physician, licensed or certified psychologist certifying that the individual has one of the non-obvious disabilities listed.

- 4. Proof that an individual receives a Railroad Retirement disability annuity from the Railroad Retirement Board and has been determined to qualify for Medicare.
- 5. The individual is in receipt of aged, blind or disabled Medical Assistance benefits.
- 6. For companion households the individual must be age 60 or older, must have a permanent disability based on the SSA permanent disability list and unable to purchase food and prepare meals because of that disability. These individuals are considered disabled for purposes of this provision.

If it is obvious that the individual is unable to purchase and prepare meals because they suffer from a severe physical or mental disability, even if it is not specifically mentioned on the SSA permanent disability list, the individual is considered disabled. Appropriate casefile notation must be made.

If the disability is not obvious, obtain a statement from a physician or licensed/certified psychologist certifying (in the physician's/ psychologist's opinion) that the individual is unable to purchase and prepare meals because they suffer from one of the non-obvious disabilities listed, or some other severe, permanent physical or mental disease or non-disease related disability.

7. Food Stamps will consider all individuals approved under the Workers with Disabilities as disabled (categorically eligible). Since the disability determination for these individuals is being made the same way as the disability determination is made for 'AD' individuals, the Vision system will send a coverage code that will be converted to AD in TECS. 'AD' individuals are categorically eligible in TECS

Gross Income

1. The unearned income for all household members must be verified.

Exception:

Client statement of the household's interest or dividend income from all sources when it is paid out and is \$50 or less per month (\$600 or less per year) is acceptable, unless questionable.

2. Gross earned income must be verified for the following individuals:

- a. Age 18 and older.
- b. Age 16 and older if not attending school at least halftime.

If the person or organization providing the income has failed to cooperate with the household and the worker, and all other sources of verification are unavailable, the worker must determine an amount based on the best available information provided by the household. The worker must document the attempt to verify income and the income used.

Deductible Expenses

If obtaining verification of deductible expenses delays the household's certification or verification cannot be provided within 30 days of the date of application, the household must be advised that it's eligibility and benefit level will be determined without allowing a deduction for the unverified expense.

If the household would be ineligible unless the expense is allowed, the household's application must be handled and processed based on the delay in processing standards.

If the household subsequently provides the missing verification, the worker must act on the change and provide increased benefits, if any, based on 10-10-10.

The household is entitled to an underpayment of benefits only if the worker failed to allow the household sufficient time to verify the expense and/or failed to attempt to offer the household assistance in obtaining the verification.

The worker must document the request for verifications of the following deductible expenses. If they are not provided, do not allow the expense.

There is no requirement that expenses be paid, only incurred.

Exception:

Child Support must be paid.

Types of Deductible Expenses

- Rent
- Mortgage Payment
- Mobile Home Lot Rent
- Condominium and Association Fees

- Property Taxes
- Homeowners Insurance
- Legally Obligated/Actual Child Support Paid
- Dependent Care Deduction
- Medical Expenses
- Utility Expenses

Questionable Information

Other than the mandatory verifications, workers must verify other factors of eligibility only if they are questionable and affect the household's eligibility or benefit level.

Information is considered questionable when the applicant makes inconsistent statements with what is listed on the application, previous applications, or information received by the worker.

A household's report of expenses that exceed its income may be grounds for a determination that further verification is required. However, this circumstance will not, in and of itself, be grounds for denial. The worker must explore with the household how it is managing its finances, whether the household receives excluded income or has assets, and how long the household has managed under these circumstances.

The following information must be verified if questionable along with any other household discrepancies:

1. **Assets** - At the time of the application interview, household assets must be explored. The worker must explain to all households what liquid and non-liquid assets are and the household's responsibility to report them.

Asset information must be verified prior to certification **only if inconsistent** with other information on the application, previous application or other documented information known to the worker. If the applicant is unable to resolve the apparent inconsistency, the worker must then verify questionable information.

a. Liquid Assets - Current bank statements, documents or collateral contact that support the household statements.

 Non-Liquid Assets - Verification from local realtors, tax assessors or other knowledgeable sources can be used to verify non-liquid assets.

To receive TANF Information and Referral Services, a household must provide asset verification if questionable.

- 2. **Household Composition** household size and boarder status.
- 3. **Citizenship** Documents such as birth certificates, religious records, voter registration cards, passports, certificate of citizenship or certificate of naturalization are suitable verifications of citizenship.

If verification cannot be obtained and the household can provide a reasonable explanation as to why verification is not available, a signed statement from someone who is a United States citizen must be accepted. Such a statement must read as follows:

"I declare under penalty of perjury that _______ is a United States citizen. It is my understanding that intentionally giving false information to help this person get food stamp benefits may result in a fine, imprisonment, or both."

The individual whose citizenship is in question is ineligible to participate until proof of United States citizenship is obtained. Until such time as proof is obtained, the individual's income and assets are treated as an ineligible (DI) household member.

Exception:

Verification of non-citizen status is not required for expedited service.

When information from another source contradicts statements made by the household, the household must be afforded a reasonable opportunity to resolve the discrepancy prior to an eligibility determination.

LESSON: Documentation



Purpose

Explain and describe acceptable methods of documentation.



eManual References

Narrative/Documentation

430-05-35-45



Policy

Casefiles must be documented to support eligibility, ineligibility, and benefit level determinations. Documentation must be detailed to permit a reviewer to determine the reasonableness and accuracy of the determination. Document ALL requests for verification and whether or not the verification was provided.

Where verification was required to resolve questionable information, the worker must document why the information was considered questionable or at a minimum, indicate where the inconsistency exists and what documentation was used to resolve the questionable information.

Acceptable forms of documentation include:

- On-line narratives.
- Notes on budgets in the casefile that spell out income and expenses and how they were arrived at.
- County specific developed forms that are mandated and must be used by all staff.
- Handwritten narratives that are an ongoing record of actions for a case.

• Statements included on notices to a household that spell out what income and expenses were used and why.

Documentation should be fact driven and should not be based on feelings or emotions. Only pertinent and relevant information relating to eligibility should be documented. Clients, authorized representatives, co-workers and attorneys are a few of the individuals who have access to any casefile. Workers must be cognizant of what they are writing and including in the casefile.

Statements such as:

- "The elevator does not go to the top floor"
- "The client has a history of mental illness"—depending on the context in which it was used
- "This client is a liar or cheat"

are inappropriate and should never be part of any documentation in a casefile. Statements such as these can lead to potential legal problems including lawsuits and the dismissal of an employee. Stick solely to the facts when documenting.

Notes

EXERCISE: One - Documentation – Yes or No?



- 1. As a worker, does documenting your casefiles save you time? <u>Yes</u>
- 2. Do you feel that documenting your casefiles is necessary? <u>Yes</u>
- 3. Are you required to document casefiles in your office? <u>Yes</u>
- 4. Can documentation save time for other workers in your office? _Yes
- 5. Does documentation have to be lengthy and in a specific format? No
- 6. Have you ever found yourself in an appeal, fair hearing or court situation where you wish you had documented the casefile more thoroughly?

 Yes/No
- 7. Have you ever had to reconstruct your logic to answer questions about whether you made a correct decision in a case? Yes/No
- 8. Have you ever been unable to remember what you did in a case and why months later? Yes/No
- 9. Can documentation prevent errors? Yes
- 10. Have you ever been on the receiving end of a phone call from a client who has questions about their case and wish you had documented more thoroughly? Yes
- 11. Will adequate documentation save you time when completing a claim? Yes
- 12. Will documentation make cases with errors correct? Possibly, if the worker documents that he had documentation that a reviewer could not find, and the worker is able to produce said documentation, an error may be reversed if worker correctly applied policy to said documentation or verification.

LESSON: Documentation Saves Time



Purpose

To explain how adequate documentation can save you time as a worker.



eManual References

Sources of Verification

430-05-20-55-15



Policy

How many times have you said "I don't have time to document." We have all heard it (maybe even said it). It's a myth. Good documentation will save you time. Consider the following:

- 1. Documenting will save you time because you won't have to wonder next month or two months from now why you did what you did and take the time to reconstruct your logic to answer your own questions about whether you made a correct decision.
- 2. Documenting will save time for other workers in your own office or another office when a casefile is transferred to another caseload. They will know what you did and not have to take time to resolve issues or take up your time with questions.
- 3. Documenting saves time for your supervisor(s). They won't have to wonder what you did and ask questions, wasting more of your time.
- 4. Documenting may save you a good deal of time if you don't have to respond to Quality Improvements Reviews, Quality Control, or others who have identified an error in your casefile because they can't glean from your case record any reason to justify your action.

Good documentation habits save time. Documentation need not be lengthy, nor does it need to be in any specific format. If it addresses the simple "who", "what", "when", "where", "why", and most importantly the "how" questions, you will be covered.

- Who did the information come from?
- What was the information you received?
- When did you get it?
- Where was the information secured?
- Why is the information pertinent?
- AND MOST IMPORTANTLY How did you treat the information?

Documenting does not make cases with errors correct; errors are errors, but it will avoid cases that are correct being identified as errors. The next time that you believe you don't have time to document, consider that you may have even less time if you don't.

REMEMBER: If you don't write it down, it didn't happen!!!

Notes	

EXERCISE: One - Documentation Situations



1. Food stamp household calls your office on September 22 and reports that a household member left the household on September 15 and is not expected to return.

What do you document? ___September 22, 2004 - call from (name of client). (Name of client) left household on September 15, 2004_

2. Because the member who left the household had no income, this change will decrease the household's benefit and that requires a 10-day advance notice. There is not sufficient time for you to effect a benefit reduction prior to October 2004 benefits (due to 10-10-10). What do you document?

Not adequate time for benefit reduction for October 2004. (Name of client) will be deleted from household for November 2004 benefits and the worker should set themselves an alert.

EXERCISE: Two - Documentation



1. Food stamp household submits a signed change report form on September 10, 2004, stating they were notified on September 1, 2004, that the household will receive a pay raise of \$100.00 monthly effectively October 1, 2004.

What do you document? Household reported in writing \$100 pay raise effective October 1, 2004.

2. Because this change was reported in writing by the household and will result in a decrease in benefits for October 2004 and the worker has 10 days prior to the October 1, 2004 issuance, this change must be made. No 10-day advance notice is required.

What do you document? Change made to reduce October 2004 benefits as change reported in writing will result in reduction in October benefit, however, verification of change not required.

EXERCISE: One - Processing Standards - Documentation



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1.	The <u>household</u> has primary responsibility for providing verifications or documentary evidence to support statements on the application.
2.	Acceptable sources of verification include documentary evidence,
	collateral contacts, home visits and system interfaces.
3.	Casefiles must be documented to support eligibility, ineligibility
	and benefit level determinations.
4.	Good documentation must address what items: Who did the information come from?
	What was the information received?
	When was it received?
	Why is the information pertinent?
	How was the information treated?
5.	Verification for a SSN or application for an SSN for a newborn must be provided at it next recertification or withinsix months following the month of birth, whichever is later.
<u>6.</u>	The correct participation code for a household member who has refused or failed without good cause to provide verification of their SSN is _'DI' or
7.	Some examples of identity verification are: drivers license, school ID,
	health insurance card, wage stubs, birth certificate or collateral
	contact.

	Residency must be verified at the time ofapplication
	<u>Unearned</u> income for all household members must be verified except reported interest or dividend income that is paid out and is \$50 or less per month, client statement is acceptable.
).	Gross earned income must be verified for all individuals over the age of and age if not attending school at least halftime.
1.	There is no requirement that expenses bepaid, only incurred.
2.	If requested verification of an expense is not provided the expense is not allowed in the benefit determination.

LESSON: Elderly Households



Purpose

Provide workers with information necessary to process an application for an elderly household.



eManual References

Elderly Households

430-05-20-65



Policy

Elderly Households

If a household contains a member who is 59 years old on the date of application, but will become 60 before the end of the month of application, household eligibility is determined as age 60. The gross income test and maximum shelter deduction do not apply to household's that contain members 60 years of age or older.

LESSON: Processing Combination TANF/FS Households



Purpose

Provide eligibility workers with the information necessary to correctly process combination TANF and Food Stamp applications.



eManual References

TANF Households

430-05-20-70



Policy

TANF Households

Households applying for TANF must be allowed to apply for food stamp benefits at the same time they apply for TANF benefits. The worker may, but is not required to conduct a single interview at initial application for both TANF and food stamp purposes.

The TANF household's food stamp eligibility and benefit level must be based solely on food stamp eligibility criteria, and the household must be certified in accordance with the Food Stamp Program regulations.

TANF Application

Households applying for TANF who wish to apply for food stamp benefits must complete the SFN 405-Application for Assistance.

Processing Standards for Combination TANF and Food Stamp Households

Action on the Food Stamp portion of the application must not be delayed nor the application denied because the TANF determination has not been made.

Expedited processing standards must be determined for any household applying for TANF and food stamps.

Denied TANF Application

If a household applies for TANF and Food Stamp benefits at the same time and the TANF application is denied, the food stamp application processing must be completed.

Notes

LESSON: Supplemental Security Income Households



Purpose

Explain the policy and procedures for Supplemental Security Income households.



eManual References

Supplemental Security Income Households	430-05-20-75
SSI Retroactive Eligibility	430-05-20-75-05
SSI Households Applying for Food Stamps at the SSA	430-05-20-75-10
Action by the SSA	430-05-20-75-15
Processing Timeframes	430-05-20-75-20
Household Contact Prohibited	430-05-20-75-25
Expedited Service Prescreening	430-05-20-75-30
SSA Telephone Application or Redetermination	430-05-20-75-35
Underpayments	430-05-20-75-40



Policy

A resident of a group living arrangement, authorized by FNS or certified by Developmental Disabilities, not determined disabled will be denied food stamps. If the food stamp application is denied before the SSI determination is made or the individual has been denied SSI and the SSI application is later approved, the individual becomes eligible and entitled to food stamp benefits back to the date of SSI entitlement or the original food stamp application date, whichever is later.

A resident of a group living arrangement who was denied as stated above is retroactively entitled to the excess medical deduction and the uncapped shelter deduction from the approval date of the application.

Example:

An individual living in a group living arrangement applies for food stamps on July 1 and SSI on July 14. Because the SSI application decision is still pending at the end of the food stamp 30-day processing

timeframe, the food stamp application is denied as the individual does not meet the disabled definition.

The SSI application is approved in September, retroactive to July 14. The individual is entitled to an underpayment for each month back to the date of SSI entitlement, July 14. Any excess medical deductions along with uncapped shelter expenses are allowed when determining the amount of the underpayments.

SSI Households Applying for Food Stamps at the SSA

Households in which all members are in receipt of or applying for Supplemental Security Income are permitted to file a food stamp application at the SSA at the same time the SSI application is filed.

Action by the SSA

Whenever a household consisting only of SSI applicants or recipients conducts business at a SSA office, the SSA is required to inform the household of:

- 1. The right to apply for food stamps at the SSA office without going to the food stamp office, **and**
- 2. The right to apply for food stamps at the county if it chooses to do so.

The SSA is required to accept and assist in completing any food stamp applications received at that office or contact stations and forward them, within one working day after receipt of a signed application, to the county of the applicant's physical residence.

If SSA sends a food stamp application and supporting documentation to the wrong county of physical residence, that county must, within one working day of receipt of the material, forward it to the proper county.

Form SSA-4233 - Transmittal for Food Stamp Application is used to transmit SSI recipient food stamp applications to counties. The transmittal form is self-explanatory.

Processing Timeframes

Two sets of timeframes for SSI households apply, one for households filing before their release from a public institution and a second for all other joint filing households.

1. **Households filing before release from a public institution** - Unless the household is eligible for expedited service, the eligibility determination

must be made and benefits issued to eligible SSI households within 30 days following the date the household is released from the institution.

Expedited processing timeframes begin on the date the household is released from the institution.

The SSA must notify the county of the date of release from the institution. If for any reason, the county is not notified on a timely basis of the applicant's release date, the household is entitled to an underpayment back to the date of release.

2. Other joint filing households - Unless the household is eligible for expedited service, the eligibility determination must be made and benefits issued to eligible SSI households within 30 days following the date the application is received by the SSA.

Expedited service timeframes begin on the date the application is received from the SSA, in the county office.

Household Contact Prohibited

After receiving an application from the SSA, the worker **must not** contact the household to obtain information for food stamp certification **unless**:

- 1. The application is improperly completed.
- 2. Mandatory verification is missing.
- 3. The worker determines that certain information on the application is questionable.

The applicant is not required to appear at the county to finalize the eligibility determination.

Expedited Service Prescreening

A county must prescreen **all** applications received from the SSA for expedited service entitlement on the day the application is received in the correct county. The expedited processing time standard begins on the date the application is received **at the county**.

SSA Telephone Application or Redetermination

If the SSA takes a combined SSI Application/Redetermination and Food Stamp Application by phone, the county cannot require the household be interviewed again or contact the household to obtain information. The SSA will mail the food

stamp application to the claimant for signature and forward the application to the appropriate county.

Underpayments

The worker must issue an underpayment whenever the loss was caused by a worker error or by a SSA error through joint processing.

Example:

The loss of an applicant's food stamp application after it has been filed with SSA.

Notes

LESSON: Categorical Eligibility



Purpose

Provide eligibility workers with the information necessary to process categorical eligibility



eManual References

Categorical Eligibility
TANF Information and Referral Services

430-05-20-80 430-05-20-85



Policy

The following households are categorically eligible:

1. Any household in which ALL members receive TANF.

Exception:

A TANF household remains categorically eligible if the only reason a child is not included in the monthly TANF grant is because of a benefit cap.

- 2. Any household in which ALL members receive SSI, including SSI presumptive eligibility benefits or 1619b.
- 3. Any household in which ALL members receive TANF and/or SSI.

Exception:

A TANF household remains categorically eligible if the only reason a child is not included in the monthly TANF grant is because of a benefit cap.

Receipt of TANF and SSI benefits is defined as:

- a. A benefit that was authorized, but not received, or
- b. A benefit that was suspended, or
- c. A benefit that was recouped, or
- d. A benefit not paid because it was less than a minimum amount.

Households with a member(s) that has been disqualified from participation are not categorically eligible.

Automatic Asset and Income Test

Households in which ALL household members are in receipt of TANF, SSI, or a combination of TANF and SSI are categorically eligible and will automatically pass all asset and income tests in TECS. The income types of TF and SI on the UNIN screen are used to determine categorical eligibility in the TECS system.

All eligible one and two person households are entitled to the minimum \$10 monthly allotment.

Exception:

If due to proration during the initial month, the benefit is less than \$10, no benefit is issued.

When a household's net income exceeds the level at which benefits are provided, the worker must deny the application using Notice F231 – Application Denied Zero Benefit.

TANF Information and Referral Services

Any household in which ALL members receive or are authorized to receive TANF Information and Referral Services are categorically eligible. All applicants and recipients are authorized and notified of these services by signing the SFN 405 - Application for Assistance or the SFN 407 - Recertification of Eligibility for Food Stamps. Both of these forms include a statement that if the household is eligible for TANF Information and Referral Services, the household has been notified and is authorized to receive TANF Information and Referral Services.

The county will provide individuals with information and referrals to various other agencies, programs, organizations and community/county resources that could be of benefit to the household (such as housing, Child Care Assistance, Salvation Army, Community Action, Job Services, Bureau of Indian Affairs, etc.).

Any individual who has been disqualified from participation is not eligible and authorized to receive TANF Information and Referral Services. TECS is programmed to treat income and assets correctly based on participation codes on SSDO.

Automatic Asset Test

Categorically eligible households will automatically pass all asset tests in TECS based on participation codes.

Households must provide verification of assets if questionable, in order to receive TANF Information and Referral Services. If assets are questionable based on sound judgment of the worker and the household fails or refuses to provide verification, the household is not eligible for TANF Information and Referral Services. As a result, the household is not categorically eligible.

If a household is not categorically eligible, verification of questionable assets is required. The worker must send Notice F240 – TANF Information and Referral Service Denial and Notice F201 – Failure to Provide Information to the Household.

Automatic Income Test

Households must pass the net income test (100% of the poverty level) based on household size. When a household's net income exceeds the level at which benefits are provided, the worker must deny the application using Notice F231 – Application Denied Zero Benefit.

All eligible one and two person households are entitled to the minimum \$10 monthly allotment.

Exception:

If due to proration during the initial month, the benefit is less than \$10, no benefit is issued.

LESSON: Case Suspensions



Purpose

Provide eligibility workers with the information necessary to determine when it is appropriate to authorize a case suspension.



eManual References

Case Suspension 430-05-20-90



Policy

A case cannot be suspended for the initial month of application when there is an extra check from a recurring source and ineligibility is expected to last for only one month. The application for the initial month must be denied.

A case will be suspended for the second beginning month when there is an extra check from a recurring source and ineligibility is expected to last for only one month.

LESSON: Certification Periods at Application



Purpose

Provide the eligibility workers with the information necessary to assign appropriate certification periods.



eManual References

Certification Periods at Application

430-05-20-95



Policy

Certification periods, conforming to calendar months, must be assigned to all eligible households. At initial application, the first month of the certification period will generally be the month in which the application is filed.

Households must be assigned the longest certification period (1 to 12 months) based on the predictability of the household's circumstances.

For food stamp households, the worker is responsible to assign the appropriate certification period, up to 12 months, based on whatever is most appropriate for the household.

Exceptions:

- 1. Households, other than those listed below, that have earned income must be certified for no more than six months.
 - a. Any combination Food Stamp/TANF case.
 - b. Any combination Food Stamp/Medicaid case subject to monthly reporting for Medicaid purposes.

- c. Self-employed households with annualized income.
- d. Households with averaged contract income.

These households may be assigned certification periods of up to 12 months.

- 2. Households, in which all members are in receipt of TANF, must be assigned certification periods that are the same as the TANF certification period, to the extent possible.
- 3. Households eligible for a child support deduction that have no record of regular child support payments or of child support arrearages must be certified for no more than three months.

Households with a record of regular child support payments and/or child support arrearages must be certified for no more than six months.

- 4. Households containing individuals who are not exempt from the ABAWD provisions must be certified for no more than three months.
- 5. Adult siblings (age 18 or older) who live together but claim separate household status must be certified for no more than six months.
- 6. Adult children over 22 who live with parents but claim separate household status must be certified for no more than six months.

Notes

LESSON: Notice Requirements



Purpose

Provide eligibility workers with information necessary to determine the appropriate notice to send.



eManual References

Notice Requirements

430-05-20-100



Policy

Notices

When appropriate send the following notices:

Pending

F301 - Application Pended - Additional Information

F302 - Application Pended - Over 30 Days Old

F303 - Application Pended - Other Reasons

F304 - Separate FS Household/Pended Application

Approvals

F101 - Expedited FS App. Waived Interview/Verification

F102 - Initial Food Stamp Application

F105 - Expedited FS Application – Migrants

F107 - Expedited FS Application

Denials		
F201	PI	Failure to Provide Information
F202	2 IN	Failure to Complete Interview Process
F203	RS RS	Residency
F205	5 CI	Application Denied - Alien Status
F206	6 CI	Application Denied/Alien Status (8/22/96)
F207	7 EI	Excess Income
F208	B EA	Excess Assets
F209) FA	Application Denied - Fraud Action
F210) RW	ABAWDS Work Requirements Non-Compliance Denial
F213	3 OT	Denial - Other Reasons
F214	4 AW	Denial - Application Withdrawn
F220) AS	Receiving Assistance in Another State
F222	2 RW	Work Registration Denial
F223	3 QJ	Head of Household Voluntary Quit/Denial
F224	I SE	Student Eligibility Criteria - 1 Person HH
F225	5 BE	BEST Non-Compliance Denial
F226	5 SH	Separate Food Stamp Household
F227	DR	Denial Due to Drug Disqualification
F229) RW	Application Denied - Disqualifying Transfer
F230) FP	JOBS Non-compliance Food Stamp Denial
F231	ZB	Application Denied- Zero Benefit
F240) PI	TANF Information and Referral Service Denial
F241	QC	QC Review Non-compliance Denial

The last hard card was 04-04.

Take time to send the correct notices. Read the notice to make sure it makes sense.

EXERCISE: One - Processing Standards - True or False



- 1. Households applying for TANF must be allowed to apply for food stamp benefits at the same time? T or F?
- 2. Action on the Food Stamp portion of the application must not be delayed nor the application denied because the TANF determination has not been made? T or F?
- 3. Eligibility for expedited services must be determined for any household applying for TANF and Food Stamps? T or F?
- 4. Any household in which all members receive TANF and/or SSI is categorically eligible? T or F?
- 5. Households in which all members are in receipt of TANF and/or SSI are subject to and must pass all asset and income tests? T or F?
- 6. All eligible one and two person households are entitled to the minimum \$10 monthly allotment? T or F? Except in the initial month and proration is less than \$10 no benefit is issued.
- 7. When a household's net income exceeds the level at which benefits are provided, but pass all income tests, the worker must approve the application? T or F? It is denied using the F231 Application denied zero benefits notice.
- 8. Any household in which all members receive or are authorized to receive TANF Information and Referral Services are categorically eligible? Tor F?
- 9. TANF I & R categorically eligible households will automatically pass all asset tests? T or F?
- 10. TANF I & R categorically eligible households must pass the net income test (100% of the poverty level) based on household size? T or F?
- 11. A case suspension is allowed in the initial month of application when there is an extra check from a recurring source and ineligibility is expected to last for one month only? T or F? The application must be denied.

EXERCISE: Two - Processing Standards - Certification Periods



- 1. Households, <u>other than those listed below</u>, that have earned income must be certified for no more than <u>six</u> months.
- a. Any combination Food Stamp/TANF case.
- b. Any combination Food Stamp/Medicaid case subject to monthly reporting for Medicaid purposes.
- c. Self-employed households with annualized income.
- d. Households with averaged contract income.

These households may be assigned certification periods of up to $\underline{12}$ months.

- 2. Households, in which all members are in receipt of TANF, must be assigned certification periods that are the same as the TANF certification period, to the extent possible.
- 3. Households eligible for a child support deduction that have no record of regular child support payments or of child support arrearages must be certified for no more than three months.
- 4. Households with a record of regular child support payments and/or child support arrearages must be certified for no more than <u>six</u> months.
- 5. Households containing individuals who are not exempt from the ABAWD provisions must be certified for no more than __three____ months.
- 6. Adult siblings (age 18 or older) who live together but claim separate household status must be certified for no more than <u>six</u> months.
- 7. Adult children over 22 who live with parents but claim separate household status must be certified for no more than <u>six</u> months.

MODULE: HOUSEHOLD COMPOSITION – 430-05-25



Objective

Provide eligibility workers with information necessary to determine correct household composition when determining household eligibility.



Module Time

Approximate Time

55 Minutes

Notes

LESSON: Dual Participation



Purpose

Describe the various different household composition policies.



eManual References

Dual Participation
See also Food Distribution Program
Choice of Food Stamp Program or Food
Distribution Program

430-05-25-05

430-05-05-50

430-05-05-50-05



Policy

Dual Participation

An individual cannot participate in the food stamp program in any month when they have received benefits in the following:

- Another state
- Another county
- Another case
- Commodities from the Food Distribution Program.

Exceptions:

1. Currently certified food stamp members who enter a designated abuse shelter may apply and be eligible for food stamp benefits in the same month provided that the original certified household contained the abuser. Abuse shelter residents may receive an additional benefit as a separate household only once a month. A new application and case number are required. For all household members in a shelter who have already received a benefit, the participation code in TECS on the SSDO screen is (SH).

- 2. Households may choose to receive commodities when the Food Stamp benefit is zero due to proration, suspension or categorical eligibility. If eligible for commodities, the household can be certified for one month only.
- 3. Individuals disqualified from participation in the Food Stamp Program for a reason other than IPV or court conviction of fraud may be eligible to participate in the Food Distribution Program.

Notes

LESSON: Head of Household



Purpose

Review the head of household designation requirement.



eManual References

Head of Household

430-05-25-10



Policy

A household may designate the head of the household only at the time of application, recertification, or when there is a change in household composition. All adult members must agree to the selection. In the event a household fails to designate a head of household, the worker must designate a head of household. The household cannot designate an excluded household member unless there is no other adult household member. In instances where there is no adult household member, an individual under age 18 may be designated as the head of household.

Head of household classification must not be used to impose special requirements on a household, such as requiring the head of household, rather than another responsible member to appear at the county to make application for benefits.

LESSON: Non-Separate Household Status



Purpose

Identify and describe those individuals that cannot be granted separate household status.



eManual References

Non-Separate Household Status

430-05-25-15



Policy

The following individuals must be considered one food stamp household and **must not** be granted separate household status even if they do not purchase and prepare meals together:

- 1. A group of individuals who live together and customarily purchase food and prepare meals together.
- 2. Spouses who live together.
- 3. Parents (regardless of age or marital status) and their natural, adopted, or stepchildren under 22 years of age. An individual is age 22 the entire month in which they turn age 22.
- 4. Individuals under 18 years of age who live with and are under the parental control of a person other than their parents.

Exception:

Foster care child(ren)/adults.

5. Adult siblings (age 18 or older) who live together or adult children (age 22 or older) who live with their parents **IF** they purchase and prepare meals **together**. An individual is age 22 the entire month in which they turn age 22.

Exception:

Individuals who live with the household (regardless of relationship) who do not eat the majority of their meals (over 50% of three meals daily) as part of that household.

Examples:

- 1. Over the road truck drivers or salespersons who have no separate residence and return home on the weekends, but are out of the home during the week and eat the majority of their meals away from home.
- 2. A child who is attending school in another community and is only home on weekends.

Notes

LESSON: Separate Household Status



Purpose

Identify and describe those individuals that can be granted separate household status.



eManual References

Separate Household Status

430-05-25-20



Policy

The following individuals **must be** granted separate household status:

- 1. An individual living alone.
- 2. An individual living with others who customarily purchases and prepares meals separate and apart from others.
- 3. Adult siblings (age 18 or older) who live together and adult children (age 22 or older) who live with their parents **IF** they purchase and prepare meals **separately**.
- 4. A companion household an individual who is 60 years of age or older, living with others (including the spouse of such individual) who is unable to purchase and prepare meals because they are permanently disabled or suffer from a severe, permanent disability.
- 5. A homeless individual, including a resident of a public or private non-profit shelter.
- 6. Residents of any federally subsidized housing for the elderly.

- 7. Narcotic addicts or alcoholics and their children under age 22 who live together for the purpose of regular participation in a drug or alcohol treatment and rehabilitation program. An individual is 22 the entire month in which they turn age 22.
- 8. Disabled or blind individuals who are residents of a group living arrangement.
- 9. Individuals temporarily residing in a public or private non-profit abuse shelter.

Notes

LESSON: Optional Household Status



Purpose

Identify and describe those individuals who can be granted optional household status.



eManual References

Optional Household Status

430-05-25-25



Policy

The following individuals **may** participate with the household they are residing with at the household's request. They **cannot participate** separately from the household they are living with.

- 1. Boarders an individual paying less than a reasonable amount for board (meals). These individuals cannot be considered a boarder but are considered a member of the household providing the board.
 - a. For individuals whose board arrangement is for more than two meals per day, reasonable compensation must be an amount that equals or exceeds the maximum food stamp allotment for the appropriate size of the boarder household.
 - b. For individuals whose board arrangement is for two meals or less per day, reasonable compensation must be an amount that equals or exceeds two thirds of the maximum food stamp allotment for the appropriate size of the boarder household.
- 2. Foster Care Child(ren) or Adults, PATH, Subsidized Guardianship, Casey Foundation and Kinship Care individuals. These individuals are considered a boarder for food stamp purposes.

LESSON: Non-Household Members



Purpose

Identify and describe those individuals that must not be considered household members when determining the household's eligibility or benefit.



eManual References

Non-Household Members

430-05-25-35



Policy

The following individuals are non-household members and must be excluded from the household when determining household size. (Participation of "OU")

- 1. Boarders including foster care individuals when the household providing the boarder service has not requested the individual be included as a member of the household.
- 2. Individuals who live with the household (regardless of relationship) who do not eat the majority of their meals (over 50% of three meals daily) as a part of that household.
- 3. Live-in attendants. Individuals who reside with a household to provide medical, housekeeping, child-care or similar personal services.
- 4. Residents of a public institution. Individuals including those in prison, jail, work release, state hospital, developmental centers and those on approved leave that have not been discharged.
- 5. Roomers. Individuals to whom a household furnishes lodging, but no meals for compensation.

- 6. Students. Individuals enrolled in an institution of higher education that are ineligible because they fail to meet the student eligibility criteria.
- 7. Supplemental Security Income recipients in "cash-out" states. The only cash-out state is California. SSI recipients in California receive a larger SSI check, a portion of which is their food stamp benefit.
- Others. Other individuals who share common living quarters with the household but do not customarily purchase and prepare meals with the household.

Example:

Two individuals share an apartment to save money on rent that do not purchase and prepare food together.

- Work requirements do **not** apply to non-household members.
- The <u>assets</u> of non-household members are excluded when determining household eligibility and benefit level.

Exception:

Assets owned jointly by an eligible household member and a non-household member are counted in their entirety to the food stamp household. (Examples of jointly owned assets include a joint checking or savings account).

- The <u>income</u> of a non-household member living with a household is not considered in determining eligibility or level of benefits of the household <u>unless</u> the non-household member makes money available to the other household members.
- When a non-household member makes money available (e.g. deposits into a joint bank account) from a **countable income** source to other household members, it is counted as unearned income.
 - 1. The net income of the non-household member is the portion counted as unearned income when the non-household member is making all of their earned income available to the household.
 - 2. Cash payments from any countable income source made to the household by the non-household member are treated as unearned income to the household.

- 3. When the earned income of a non-household member and other household members is combined into one wage, the income is determined as follows:
 - a. If the household's share can be identified, count the portion due to the household as earned income.
 - b. If the household's share cannot be identified, prorate the earned income among individuals earning the combined wage. The portion of the prorated amount is counted as earned income.
- If the household shares deductible expenses with the non-household member, only the amount actually paid by or billed to the food stamp household is deducted as a household expense. If deductible expenses cannot be separated they are prorated evenly among the individuals making the payments and only the household's pro rata share allowed.

Exceptions:

If a non-household or ineligible household member shares utility costs with eligible household members, the eligible household members are entitled to the appropriate standard.

If two or more separate households live together and share utility costs, each household is entitled to the appropriate standard.

The appropriate utility standard must not be prorated. The household is entitled to the entire standard.

Notes

LESSON: Excluded Household Members



Purpose

Identify and describe those individuals that must be excluded from the household when determining the household's eligibility and benefit.



eManual References

Excluded Household Members

430-05-25-40



Policy

The following individuals are excluded household members and must be excluded when determining household size for purposes of assigning a benefit level. These individuals cannot participate as a separate household. Correct participation codes on SSDO are listed.

- 1. **Drug Felony Conviction** An individual convicted of Federal or State felonies for possession, use, or distribution of illegal drugs when the act occurred after August 22, 1996. (DD)
- 2. **Sale of a Controlled Substance Involving Food Stamp Benefits** An individual found by a Federal, State, or local court of having used or received food stamp benefits in a transaction involving the sale of a controlled substance. (DF)
- 3. **Fleeing Felons, Parole or Probation Violators** An individual charged with or convicted of any felony, or an individual who has violated parole or probation. (DF)
- 4. **Ineligible Aliens** Individuals who do not meet the citizenship or eligible alien status, and those who do not attest to citizenship or alien status at the time of application. (**DI**) (Alien visitors, tourists, diplomats and students who enter the country temporarily with no intention of abandoning their residence in a foreign country.)

- 5. **Intentional Program Violation Disqualification** An individual found guilty of IPV. **(DF)**
- 6. **Social Security Number Disqualification** An individual who failed or refused to provide a social security number. **(DI)**
- 7. Work Requirement Disqualification An individual who fails or refuses to comply with the work requirements, comparable work requirements for Job Opportunities and Basic Skills Program (JOBS) or the Basic Employment Skills Training Program (BEST). (DW)
- 8. **Duplicate Benefits** An individual convicted of attempting to receive duplicate benefits because they made a fraudulent statement regarding their identity or place of residence after September 20, 1996. (**DF**)
- 9. Sale of Firearms, Ammunition, or Explosives Involving Food Stamp Benefits An individual found by a Federal, State, or local court of having used or received food stamp benefits in a transaction involving the sale of firearms, ammunition, or explosives. (DF)
- 10. **Trafficking Benefits** An individual convicted by a Federal, State, or local court of trafficking benefits for an aggregate amount of \$500 or more. Aggregating involved the accumulation of separate dollar amounts for separate but related trafficking offenses leading up to a conviction. (**DF**)
- Work requirements for participation do **not** apply to excluded household members.

Exception:

Individuals that are excluded from participation for failure to comply with work requirements must comply or become exempt.

- The **assets** of excluded household members **are counted in their entirety** to the remaining household members.
- The **countable income** of excluded household members is **considered and counted in its entirety** to the remaining household member as follows:
 - 1. Count **ALL** of the income of members disqualified because of:
 - A drug felony conviction (**DD**)
 - The sale of a controlled substance involving food stamp benefits (DF)

A fleeing felon charge or conviction, or a parole or probation violation (**DF**)

- A food stamp program IPV (**DF**)
- A food stamp work requirement(**DW**)

Exception:

Ineligible ABAWDS

- A conviction for attempting to receive duplicate food stamp benefits (**DF**)
- The sale of firearms, ammunition, or explosives involving food stamp benefits (**DF**)
- A conviction for trafficking benefits (**DF**)
- 2. Count a **prorated share** of income of:
 - An ineligible alien (**DI**)
 - An individual who fails to meet the SSN requirement (DI)
 - An ineligible ABAWDS (**DI**)

TECS prorates the income of the ineligible household member by dividing the income by the total number of household members (including the ineligible household member). All but the ineligible household member's share is counted as income for the remaining household members. When the excluded household member has earned income, the 20% earned income deduction is applied in its entirety to the prorated share of the remaining household members. TECS performs this function based on the participation codes of household members.

- **Expenses** of excluded household members are allowed as follows:
 - 1. Allow **all** of the expenses of members disqualified because of:
 - A felony drug conviction (**DD**)
 - The sale of a controlled substance involving food stamp benefits (**DF**)
 - A fleeing felon charge or conviction, or a parole or probation violation (**DF**)
 - A food stamp program IPV (**DF**)
 - A food stamp work requirement (**DW**)

Exception:

Ineligible ABAWDS

- A conviction for attempting to receive duplicate food stamp benefits (**DF**)
- The sale of firearms, ammunition, or explosives involving food stamp benefits (**DF**)
- A conviction for trafficking benefits (**DF**)
- 2. Allow a **prorated share** of the expenses of:
 - An ineligible alien (**DI**)
 - An individual who fails to meet the SSN requirement (**DI**)
 - An ineligible ABAWDS (**DI**)

That portion of the household's allowable child support, shelter and dependent care expenses that are paid by or billed to the excluded household member are divided evenly among the household members including the excluded member. In order for the TECS system to prorate expenses that are billed to or paid by the excluded household member, they must be listed by the excluded household member. All but the excluded member's share is allowed as a deductible expense for the remaining household members. TECS performs this calculation based on participation codes of household members.

Exception:

If the appropriate utility standard is paid by or billed to the excluded household member, the entire expense is allowed.

Notes

EXERCISE: One - Participation Codes



In the following examples, what participation code is used on SSDO?

- 1. Individual disqualified for a food stamp intention program violation. **DF**
- 2. Individual failed to provide a social security number. DI
- 3. Individual is currently certified for food stamps and living in a designated abuse shelter. SH
- 4. Individual was convicted of a felony drug that occurred after August 22, 1996.
- 5. Individual who does not meet the citizenship requirements or eligible alien status. DI
- 6. Individual, age 21 living with his parents and they do not purchase and prepare meals together IN-this must be one food stamp household
- 7. Individual is an ineligible student. OU
- 8. Individual who lives with another household and they customarily purchase food and prepare meals together. IN
- 9. Individual failed to comply with the work requirements. DW
- 10. Individual violated parole. DF
- 11. Spouses who live together. IN
- 12. Individual living with others who customarily purchases and prepares meals separately and apart from the others. OU—unless under age 18 and under parental control of others / Could be 2 separate households
- 13. Individual living with a household and does not eat the majority of the meals with them. OU
- 14. Individual residing in a public or private non-profit shelter. IN

15. A 20-year-old living with an 18-year-old sister and they customarily purchase and prepare their meals separately. OU—in each other's case (2 cases) IN in their own cases.

EXERCISE: Two - True or False?



Are the following statements true or false?

- 1. Foster parents are not required to include a foster care child in their food stamp case. True
- 2. A food stamp household can also receive benefits from another state for the same month. False
- 3. An individual age 23 living with his parents can be granted separate household status, if he purchases and prepares his meals with his parents.

 False
- 4. Two unrelated individuals, living together who have a child in common can be granted separate household status if they purchase and prepare meals separately. False
- 5. An 18-year and her child are living with the 18 year olds' parents and they do not purchase and prepare meals separately. Separate household status can be granted as the daughter is age 18 and has a child of her own. False
- 6. The earnings of a non-household member that are deposited into a joint checking account with a food stamp household are not counted as income to the food stamp household. False
- 7. A household can choose to receive commodities for one month when the food stamp benefit is zero due to proration, suspension or categorical eligibility.

 True
- 8. An individual disqualified from the food stamp program for any reason other than an intentional program violation or fraud may be eligible to participate in the Food Distribution Program (commodities). True
- 9. An individual who is living with a food stamp household and providing medical services can be granted separate household status. True
- 10. The income of an individual disqualified due to a felony drug conviction is counted in its entirety to the remaining household members. **True**

- 11. The assets of an individual disqualified due to a food stamp work requirement are not considered or counted to the remaining household members. False
- 12. An individual under age 18 who lives with and is under the parental control of a person other than their parents can be granted separate household status.

 False

Notes

MODULE: HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES – 430-05-30



Objective

Provide eligibility workers with the information necessary to determine eligibility for households with special circumstances.



Module Time

Approximate Time

70 Minutes

Notes

LESSON: Students of Higher Education



Purpose

Define and explain student status.



eManual References

Students in Higher Education 430-05-30-40 Enrollment Status 430-05-30-40-05 Student Exemption from Work Requirements 430-05-30-40-10



Policy

Student eligibility criteria does not apply to the following individuals:

- An individual under age 18 (through the month the individual turns 18)
- An individual age 50 or older (effective the month an individual turns 50)
- An individual physically or mentally unfit for employment (criteria used to establish physical or mental unfitness is the same as for work requirements)
- An individual attending high school or working to obtain a GED
- An individual participating in an on-the-job training program, including refugee training programs
- An individual not attending school at least halftime
- An individual enrolled fulltime in school or a training program that is not an institution of higher education.

A student is an individual enrolled in an institution of higher education at least halftime. The institution defines what is considered halftime or fulltime).

Students living in a dorm who have not purchased a meal plan through the school may participate in the food stamp program if otherwise eligible.

Student status applies to the following individuals:

- An individual age 18 or older
- An individual under age 50
- An individual physically or mentally fit to work
- An individual enrolled at least halftime in an institution of higher education.

Student status must be verified (class schedule or other verification from the institution). A student is ineligible to participate and is considered a non-household member (OU participation code on SSDO) unless the student complies with one of the following eligibility requirements:

- 1. Employed a minimum of 20 hours per week (cannot be averaged) and is paid for that employment. If self-employed, must be employed a minimum of 20 hours per week and receive weekly earnings at least equal to the Federal minimum age multiple by 20 hours.
- 2. Responsible for the care of a dependent child (only one member of the household may claim an exemption as the primary person responsible for the care of dependents) when:
 - Child is 5 or younger;
 - Child is age 6 through age 11 and adequate child care is not available (this is determined on a case by case basis by the worker).
 - Child is 11 or younger and the parent is a single parent and a fulltime student.
- 3. Approved for state or federally financed work-study for the school term and the student must anticipate actually working during that time.
- 4. Receiving TANF benefits or participating in the JOBS program.
- 5. Assigned to or placed in an institution of higher education through:
 - A food stamp employment and training program under the Food Stamp Act (none in North Dakota)
 - A program under the Workforce Investment Act (WIA) (Administered by Job Service)
 - A program under Section 236 of the Trade Act of 1974, (Administered by Job Service)
 - An employment and training program operated by a state or local government (None in North Dakota)

Student status begins the first day of the school term of the institution of higher education. Enrollment continues through normal periods of class attendance, vacations, and recess unless the student:

- Graduates,
- Is suspended or terminated, or
- Does not intend to register for the next school term (excluding summer school)

Examples:

- 1. An individual who graduates from high school in May and anticipates or is accepted for the fall semester in an institution of higher education is NOT considered a student until the first day of the school term.
- 2. An individual who has not attended the prior school term, but anticipates or is accepted for the next term, is not considered a student until the first day of the school term.

A student enrolled at least half time in any recognized school, training program, or institution of high education is exempt from the work requirements. The exemption continues through normal periods of class attendance, vacation and recess. If a student graduates, is suspended or expelled, drops outs, or does not intend to register for the next normal term (excluding summer school), they are no longer considered a student and are **not** exempt.

Other households with special circumstances included in this chapter are:

- Corporations E-Manual Reference 430-05-30-45
- Partnerships E-Manual Reference 430-05-30-50
- Self-Employment E-Manual Reference 430-05-30-55
- Aliens E-Manual Reference 430-05-30-60
- Migrant/Seasonal Worker Households E-Manual Reference 430-05-30-65

If you have a case involving any of these types of households, follow your office protocol and contact your lead worker, supervisor or regional representative for assistance.

LESSON: Treatment of Assets, Income and Expenses of a Student



Purpose

Explain the policy and correct treatment of assets, income and expenses for eligible and ineligible students.



eManual References

Treatment of Assets Treatment of Income Treatment of Expenses 430-05-30-40-15 430-05-30-40-20 430-05-30-40-25



Policy

The **assets** of an **eligible** student are counted as follows:

- Assets are counted.
- Financial aid and educational funds are excluded.

The **income** of an **eligible** student is counted as follows:

- Financial aid and education funds (i.e. students loans, grants, work study, assistantships, fellowships, internships, and stipends) are excluded. Verification of financial aid is **not** required.
- All income from wages, self-employment and unearned income are counted.

The **expenses** of an **eligible** student are allowed.

The **assets** of an **ineligible** student are counted as follows:

- Assets solely owned are **not** counted.
- Assets that are jointly owned **are** counted
- Financial aid and educational funds are excluded.

The **income** of an **ineligible** student is counted as follows:

- **Is not** counted if the ineligible student is living with a household and does not make it available to the other household members.
- **Is** counted as unearned income if it is from a **countable income source** and made available (i.e. joint checking account) to the other household members.
- The **net** income is the portion counted as unearned income when the ineligible student is making **all** of their earned income available to the household.
- Cash payments from any **countable income source** made to the household by the ineligible student **are** counted as unearned income.
- If the earned income of an ineligible student and other household members is combined into one wage, the income is determined as follows:
 - a. If the household's share can be identified, count the portion due to the household as earned income.
 - b. If the household's share cannot be identified, prorate the earned income among individuals earning the combined wage. The portion of the prorated amount is counted as earned income.

The **expenses** of an **ineligible student** are treated as follows:

• If an ineligible student who cannot be granted separate household status shares expenses with an eligible household member(s), the amount actually paid by or billed to the eligible household member(s) **is** allowed as a deduction.

Exception:

If an ineligible student shares utility expenses with an eligible household member, the eligible household member is entitled to the entire appropriate standard.

 The worker must have discussion with the household regarding who is responsible for household expenses. This must be clearly documented in the case file.

Examples:

1. A household consists of Joe, Mary and their two children. Joe is an ineligible student and makes all of his earnings available to Mary and their children. Mary is responsible for the household expenses. The money Joe makes available to Mary is counted as unearned income and Mary is allowed the deductible expenses.

- 2. Same household as above. Joe makes all of his earnings available to Mary and their children; however, he is responsible for the household expenses. The money Joe makes available to Mary is counted as unearned income and Mary is not allowed any deductible expenses.
- 3. Same household as above. Joe does not make any of his earnings available to Mary and their children, but is responsible for half of the household expenses. Mary receives monthly income of her own and claims responsibility for the other half of the household expenses. The only countable income for Mary is her own. Mary is allowed half of the deductible expenses and is entitled to the appropriate full utility standard.
- 4. Same household as above. Joe deposits all of his earnings into a joint checking account with Mary. Joe's net earnings are counted as unearned income to Mary. The monthly expenses are paid out of the joint account. Because the deductible expenses cannot be differentiated, expenses must be prorated evenly between Joe and Mary. Mary is entitled to the appropriate full utility standard.

The TECS system does not prorate the expenses of any individual who has an IN or OU participation code. The worker must prorate the expenses and document the amount allowed and how it was arrived at.

Notes

LESSON: Boarders Including Foster Care Individuals



Purpose

Explain the policy for boarders including foster care individuals.



eManual References

Boarders Including Foster Care Individuals

430-05-30-05



Policy

Households providing boarder or foster care service have the option of choosing whether or not to include these individuals as household members.

Exception:

Boarder status must not be granted to any of the following:

- A spouse of a member of the household.
- Children under 18 years of age if under the parental control of a member of the household.
- Parents who reside with their natural, adopted, or stepchildren if the child is under 22 years of age.
- Children, under 22, if residing with their parents.

The **assets** of a boarder/foster care individual **are** treated as follows:

• When the boarder/foster care individual is **not** included in the household, the individual's assets are **not** counted.

• When the boarder/foster care individual **is** included in the household, the individual's assets **are** counted.

The **income** of a boarder/foster care individual **is** treated as follows:

- When the boarder/foster care individual is **not** included in the household, the individual's income is **not** counted. Foster care payments made to the household are **not** counted as income. Payments made by the boarder to the household providing the service **are** counted as self-employment income.
- When the boarder/foster care individual is included in the household, the individual's income is counted. Foster care payments made to the household are counted as unearned income including tribal foster care, Casey Foundation, Subsidized Guardianship Project, Professional Association of Treatment Homes (PATH) and Kinship Care.

The **expenses** of a boarder/foster care individual **are** treated as follows:

- When the boarder/foster care individual is **not** included in the household, the individual's expenses are **not** allowed as a deduction.
- When the boarder/foster care individual **is** included in the household, the individual's expenses **are** allowed as a deduction.

Notes

LESSON: Drug Addiction/Alcohol Treatment/Rehabilitation Program



Purpose

Explain the policy for individuals in a drug addiction/alcohol treatment/rehabilitation program.



eManual References

Drug Addiction/Alcohol Treatment/Rehabilitation Program

430-05-30-10



Policy

An individual and their children under 22 years of age who reside with them at a drug or alcohol treatment center on a resident basis are certified as a separate household.

Exception:

Narcotic addicts or alcoholics who live under the supervision of a private nonprofit institution, or a publicly operated community mental health center for the purpose of regular participation in a treatment program are considered individual households.

Prior to certifying any residents for food stamps, the county must verify that the treatment center is authorized by FNS as a retailer or is certified by the DHS, Substance Abuse Services Unit, including a determination that the center is a nonprofit organization.

Centers must provide the county with a list of currently participating residents on a monthly basis. The list must include a statement signed by a responsible center official attesting to the validity of the list. Additionally, the county must make periodic random on-site visits to assure the accuracy of the listing and that county records are consistent and up-to-date. These random onsite visits must be

conducted at least annually and the following information must be submitted to the State office:

- Date of the visit.
- Name of the individual conducting the onsite visit.
- Name of the center visited.
- Name of the individual at the center that assisted in the onsite visit.
- The accuracy of the monthly list supplied by the center. If a discrepancy is identified it must be included in the report to the State office.

Treatment/Rehabilitation Center Responsibilities

- Each authorized center must provide the county with a monthly list of currently participating residents including a statement signed by a responsible center official attesting to the validity of the list. The listing must include the following identifiable information for each individual participating in the program and additional information for individuals who leave the facility:
- Individual's first and last name.
- SSN
- Case Number
- Any changes in income or household circumstances.
- Date the individual left the center.
- Amount of food stamp benefits returned to the individual upon their departure.

When the monthly list is received, the county is responsible to:

- a. Verify that the client's case status is appropriate as reported by the center.
- b. Make any appropriate changes to the case based on the information reported by the center.

- c. Validate that the correct amount of benefits have been credited to the client's EBT account.
- d. SFN 788 Group Living Arrangement and Drug/Alcohol Treatment Center Report, is completed quarterly and a copy provided to the State FS Office. This report lists the facilities in which a client currently resides or had resided at sometime during the quarter.
- 2. The county must conduct periodic random on-site visits to assure the accuracy of the list and that the county's records are consistent and up-to-date. These reviews must be conducted at least annually using SFN 450 County Social Service Office On-Site Review Report, which is then sent to the State FS Office.
- 3. Once the individual leaves the center, the center is no longer allowed to act as that individual's authorized representative.
- 4. The treatment center must give the individual their EBT card when they leave the center.
- 5. If the individual leaves the center after benefits have been issued and no benefits were spent, the center must provide the individual with the full month's benefit. This applies at any time during the month.

If the individual leaves the center prior to the 16th day of the month and some or all of the benefits have been spent, the treatment center must provide the individual with their EBT card and one half of the individual's monthly benefit.

If the individual leaves on or after the 16th day of the month, the EBT card and all remaining benefits must be returned to the individual.

- 6. If the individual leaves the center unannounced, the center must, at the end of the month, return the individual's EBT card and remaining benefits to the county along with identifying information from the individual.
- 7. The center is responsible for any misrepresentation of facts as it relates to residents. The center is liable for all misuse of food stamp benefits.
- 8. The center representative must give the individual a SFN 378 Change Report Form and advise the individual to report the change in circumstances to the county within 10 days.

Exception:

The center is not required to provide an SFN 378 – Change Report Form if the individual leaves the center unannounced.

The **assets** of an individual in a treatment program **are** counted as follows:

• Assets of an individual and their children under 22 years of age are counted.

The **income** of an individual in a treatment program **is** counted as follows:

• Income of an individual and their children under 22 years of age are counted.

The **expenses** of an individual in a treatment program **are** treated as follows:

• Expenses of an individual and their children under 22 years of age are allowed as a deduction.

Notes	

LESSON: Group Home Living Arrangement



Purpose

Explain the policy for individuals residing in a group living arrangement.



eManual References

Group Home Living Arrangement

430-05-30-15



Policy

For food stamp eligibility, a resident of a group home must be blind or disabled as defined in the Food Stamp definition of disabled.

Prior to certifying any residents for food stamps, the county must verify that the group home serves no more than 16 individuals, is authorized by FNS as a retailer, or is certified or licensed by Developmental Disabilities (328-8932) or Regional Human Service Centers, including a determination that the center is a nonprofit organization.

Group homes must provide the county with a list of currently participating residents on a monthly basis. The list must include a statement signed by a responsible center official attesting to the validity of the list. Additionally, the county must make periodic random on-site visits to assure the accuracy of the listing and that county records are consistent and up-to-date.

- **Assets** of an individual **are** counted.
- **Income** of an individual **is** counted.
- For residents who have a single payment for meals and lodging, the amount of the payment that exceeds the Thrifty Food Plan must be allowed as a shelter deduction.

Example:

A resident is charged a single charge of \$350 for meals and lodging, 201 (\$350 – \$149 Thrifty Food Plan) is used as a shelter deduction.

If a resident has a separate identifiable payment for room charges, that amount must be allowed as a shelter deduction.

Notes

LESSON: Abuse Shelters



Purpose

Explain the policy for individuals residing in abuse shelters.



eManual References

Abuse Shelters 430-05-30-20



Policy

Residents of public or private non-profit abuse shelters may use their food stamp benefits to purchase meals prepared for them by the shelter or use food stamp benefits at retail food stores. A shelter providing meals must be authorized by FNS as a retailer. The shelter should have a current certificate from the Internal Revenue Service, which verifies non-profit status.

Prompt action must be taken to ensure that the former household's eligibility reflects the change in that household's composition.

The **assets** of individuals residing in an abuse shelter **are** treated as follows:

- Assets that are solely owned are counted.
- If assets **are jointly owned** with members of the former household and access is dependent on the agreement of that joint owner **they are not** counted
- Income of a former household member that is deposited into a joint account is considered an asset.

Exception:

If access is dependent on the agreement of the former household member, it is not counted.

The income of an individual residing in an abuse shelter is counted as follows:

- Income that is **solely owned is** counted.
- Income of any other former household member is not counted (even if joint acct.)

The **expenses** of an individual residing in an abuse shelter **are** counted as follows:

• Current expenses of the individual **are** allowed as a deduction. The expenses of the former household **are not** allowed.

Notes	

LESSON: Federally Subsidized Housing for the Elderly



Purpose

Explain the policy for individuals living in federally subsidized housing for the elderly.



eManual References

Federally Subsidized Housing for the Elderly

430-05-30-25



Policy

Residents of federally subsidized housing for the elderly must be granted separate household status.

The **assets** of individuals living in federally subsidized housing for the elderly **ar**e treated as follows:

• **Assets** of an individual **are** counted.

The **income** of individuals living in federally subsidized housing for the elderly **is** treated as follows:

• **Income** of an individual **is** counted.

The **expenses** of individuals living in federally subsidized housing for the elderly **are** treated as follows:

- Room costs that can be **separately identified** are **allowable** shelter expenses. Any portion of room costs that is paid by HUD **is not** allowable.
- Any **amount** identified as being for meals **cannot** be allowed as a shelter expense.

- If the **amount** the resident pays for room and meals is combined into one amount, the **amount** which exceeds the thrifty food plan for the household size is **allowed** as a shelter expense.
- **Medical costs** that can be separately identified **are allowable** medical expenses.
- If the amount the resident pays for medical and shelter costs **cannot** be separately identified, **no** expense is allowed.

Notes

LESSON: Companion Household



Purpose

Explain the policy for companion households.



eManual References

Companion Household

430-05-30-30



Policy

An elderly and disabled individual living with another household because they are unable to purchase and prepare their own meals may be granted separate household status if the following conditions are met. The companion household is the household the elderly and disabled household member lives with.

The treatment of **income and assets** for a companion household **is** as follows:

- Verification of monthly gross income for both the companion household and the elderly and disabled household member must be verified.
- The gross income of the companion household must meet the following gross income limits for their appropriate household size without regard to the elderly and disabled household member.
- If the gross income of the companion household is within the gross income limits, eligibility and level of benefits is based solely on the elderly and disabled household members income and assets.

Example:

An elderly and disabled individual lives with another household consisting of mom, dad and two children. In determining eligibility for the elderly and disabled individual the worker must verify the gross monthly income of dad, mom and two children and compare that to the gross income limit for a family of four based on the table (\$2,592). If gross monthly income for the family of four is \$2,592 or less, then eligibility and level of benefits for the elderly and disabled individual is based solely on the elderly and disabled individual's income and assets.

H.H. Size:	Max. Income:	H.H. Size:	Max. Income:
1	\$1281	5	\$3030
2	1718	6	3467
3	2155	7	3904
4	2592	8	4341
		Each Additional H.H. Member	+438

Notes

LESSON: Striker



Purpose

Explain the policy for strikers



eManual References

Striker 430-05-30-35



Policy

A household must not receive an increased allotment as a result of a decrease in income of a striking member of the household. Households with striking members are ineligible to participate in the Food Stamp Program **unless** the household would have been eligible for benefits the day prior to the strike.

Exceptions:

1. Individuals who go on strike that are exempt from work requirements the day prior to the strike, other than those exempt because they are employed.

Example:

An individual with a child under the age of six.

2. Employees whose workplace is closed by an employer in order to resist demands of employees.

Example:

A lockout.

3. Employees unable to work as a result of striking employees.

Example:

Truck drivers who are not working because striking newspaper pressman prevent newspapers from being printed.

4. Employees who are not part of the bargaining unit on strike and who do not want to cross a picket line due to fear of personal injury or death.

The treatment of **assets** for a striker **is** as follows:

• **Assets** of a striker **are** counted.

The treatment of **income** for a striker **is** as follows:

• Eligibility must be determined by comparing the striking member's income the day before the strike to the striker's current income and **using** the higher of the two.

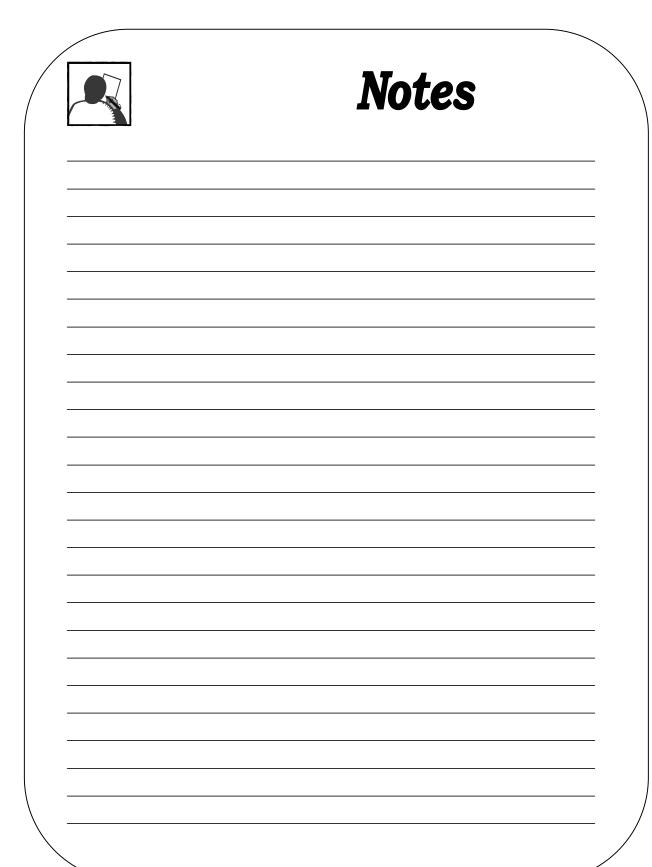
The treatment of **expenses** for a striker **is** as follows:

• To determine benefits, deductions are calculated the **same** as any other household.

Striker households are subject to the work requirements, unless otherwise exempt.

An employee of a Federal, State, or local government who participates in a strike against their governmental employer, or is dismissed from a job because of participation in the strike, is considered to have quit a job **without** good cause.

Notes



MODULE: MIGRANT/SEASONAL WORKER HOUSEHOLDS – 430-05-30-65



Objective

Provide eligibility workers with the information necessary to process an application for a Migrant or Seasonal worker household and ensure the household the opportunity to participate within the required timeframes.



Module Time

Approximate Time: 90 Minutes

Notes

LESSON: Migrant Household



Policy

Migrant households are subject to the same basic processing, eligibility and allotment standards as other households. This section explains the regulations that differ from other food stamp households.

Migrant

Migrant households are households who travel away from home on a regular basis to seek employment in an agriculturally related activity. Even though an individual member of a migrant household may obtain employment of a non-agricultural nature, the household is still considered a migrant household.

Example:

A member of a migrant household obtains employment at a migrant day care center while other household members continue to work or seek work at an agriculturally related activity.

As long as a household indicates that they plan to continue to do migrant farm work, they retain migrant status.

Seasonal Worker

A seasonal worker is an individual who works in agricultural employment of a seasonal or temporary nature. There is no requirement that:

- 1. The individual be absent overnight from their permanent place of residence.
- 2. Agricultural work is the sole source of employment.
- 3. A household be currently employed in agricultural work as long as the individual indicates they plan to return to agricultural work next season.

The following requirements apply to seasonal workers:

- 1. Be employed on a farm or ranch performing field work related to planting, cultivating, or harvesting operations; or
- 2. Be employed in agricultural related operations (i.e. hauling, research, office work, canning, packing, etc.).

A person **employed year-round** in agricultural work **is not** a seasonal worker.

LESSON: Application Processing



Purpose

Explain the application process



eManual References

Application Processing	430-05-30-65-05
TECS Coding	430-05-30-65-05-05
Destitute Provisions	430-05-30-65-05-10
Expedited Processing Standards	430-05-30-65-05-15
Travel Advance	430-05-30-65-05-20
Wage Advance	430-05-30-65-05-25
Migrant/Seasonal Worker Exemption from	

Work Requirements and BEST 430-05-30-65-10 Migrant Case Examples 430-05-30-65-15



Policy

The following exceptions apply to migrant and seasonal worker households:

- Application Month
- TECS Coding
- Destitute Provisions
- Expedited Processing Standards
- Travel Advance
- Wage Advance

Application Month

If there has been a break of one calendar month or more, a form SFN 405 - Application for Assistance must be used and benefits are prorated. This is considered an initial month.

Destroyed Verification	
Postponed Verification	
	a.
of the month are assigned certification periods of two months.	th
of the month are assigned constitution periods of the months.	

TECS Coding

To identify migrant cases in TECS, on the REAP screen an opening sub code of "M" must be used. The opening sub code of "S" must be used to identify seasonal worker cases.

Migrant earned income that is counted must be coded "MC" on EAIN. Seasonal worker earned income that is counted must be coded "SW" on EAIN.

Migrant and seasonal worker earned or unearned income that is disregarded because of destitute provisions must be coded "MD" on EAIN or UNIN.

Notes

EXERCISE – Migrant/Seasonal Worker Households

Migrant households are households who travel away from home on a regular basis to seek employment in an agriculturally related activity. T or F?

- 1. As long as a household indicates that they plan to continue to do migrant farm work, they retain migrant status. T or F?
- 2. Migrant households are subject to the same basic processing, eligibility and allotments standards as other households. T or F?
- 3. A seasonal worker is an individual who works in agricultural employment of a seasonal or temporary nature. T or F?
- 4. A seasonal worker must have agricultural work as their sole source of employment. T or F?
- 5. A seasonal worker is considered employed in agricultural work as long as the individual indicates they plan to return to agricultural work next season. T or F?
- 6. Being employed in related operations such as hauling, research, office work, canning, packing, etc., does not meet the requirement of a seasonal worker. T or F?
- 7. A person employed year-round in agricultural work is considered a seasonal worker. T or F?

Notes	

EXERCISE - Application Processing

- 1. What are the six exceptions that apply to migrant and seasonal worker households? Application month, TECS coding, Destitute Provisions, Expedited processing standards, Travel advance, Wage advance
- 2. If there is a break of **one** calendar month or more, a new application must be used and benefits prorated.
- 3. A household moves here from another state and applies for Food Stamps, if no eligible household members received Food Stamp benefits in the prior month benefits are prorated.
- 4. If any eligible household member received Food Stamp benefits in the prior month, benefits are not prorated.
- 5. If an ongoing case in North Dakota closes for any reason and the household requests benefits within one calendar month of the case closing, the **Recertification** form is used and benefits are not prorated.
- 6. Migrant households entitled to expedited services for which postponed verifications must be obtained from an out-of-state source, notice F105 Expedited FS Application Migrants, must be sent.
- 7. The expedited FS application notice advises the migrant household that no further benefits, other than **their first and second months issuances**, will be received until the postponed verification is received. Households are entitled to two months benefits for postponed out-of-state verification **only once** each season.
- 8. When registering migrant cases in TECS the opening sub code of 'M' must be used on REAP. The opening sub code for season worker cases is 'S'. The applicable open reason is used as for any other FS application.
- 9. Migrant countable earned income must be coded as 'MC' on EAIN. Seasonal worker countable earned income must be coded 'SW'.
- 10. Migrant and season worker earned or unearned income that is disregarded because of destitute provisions must be coded 'MD' on EAIN or UNIN.

Destitute Provisions

Migrant or seasonal worker households are considered destitute if:

- 1. Income for the month of application was received before the date of application and was from a terminated source.
- 2. The only income for the month of application is from a new source and the new source income of more than \$25 will not be received by the 10^{th} calendar day after the date of application.
- 3. Terminated source income is received before the date of application and new source income of more than \$25 will not be received before the $10^{\rm th}$ day after the date of application.

Migrant or seasonal worker households may have little or no income at the time of application, even though they receive income at some other time during the month of application.

Special Income Calculation Procedures

<u>Destitute households</u> must have their eligibility and level of benefits calculated for the month of application by using only income that is received between the first of the month and date of application.

Any income from a new source after the day of application is disregarded.

Determining Destitute Eligibility

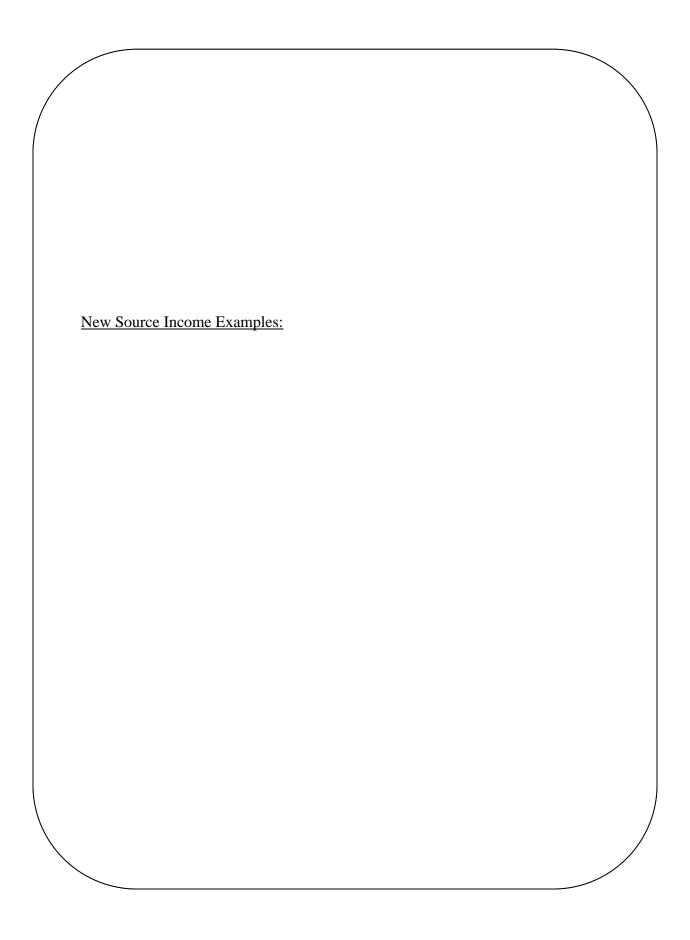
The following procedures must be used to determine when migrant or seasonal workers are considered <u>destitute</u> and entitled to expedited service. Special income calculation procedures apply when a household is destitute and entitled to expedited service.

Income Prior to Date of Application

A household whose only income for the month of application was received prior to the date of application, and was a terminated source, must be considered <u>destitute</u>.

Income from a New Source

Households whose only income for the month of application is from a new source must be considered <u>destitute</u> if income of no more than \$25 from the new source will be received by the 10th calendar day after the date of application.



Income from a Terminated Source

Income received monthly, or more frequently, is considered as coming from a terminated source if it will not be received from the same source during the month of application or during the following month.

Income received less than monthly is considered as coming from a terminated source if it will not be received in the month in which the next payment would normally be received.

A household whose only income for the month of application was from employment that ended and was received by the household prior to application is considered a terminated source income.

If a household's employment has ended and the household will receive income from that employment after the date of application, the income is not considered a terminated source but is recurring income. The household is not destitute.

Income from both a Terminated and New Source

A household may receive income from a terminated source before the date of application and no additional income from that source is expected. If income from a new source is received after the date of application, the household is destitute if income of not more than \$25 from the new source will be received by the 10th calendar day after the date of application.

Continued Work with Same Employer

A household member whose job duties change but who continues to work for the same employer is still receiving income from the same source.

A worker's source of income is the employer for whom the individual is working, not the crew chief. An individual who travels with the same crew chief is considered to have changed from terminated source income to a new source income.

Example:

Recertification Application

A household leaves Texas without a wage advance, arrives in North Dakota on May 9, applies on May 10, and a wage advance of \$500 will be received on May 25. The \$500 received on May 25 is not counted as it is

/	
	When Destitute Provisions Apply
	These provisions apply at initial application and at recertification, but only for the first month of each certification period.
:	Destitute Application Date
	Expedited Processing Standards The following apply to migrant households only. Regular expedited processing standards apply to seasonal workers.

May 28th is the date used for expedited time frames. Benefits must be made available to the household no later than June 4th.

Travel Advance

Some employers provide travel advances to cover the travel costs of employees traveling to the location of new employment. Travel advances treated as a reimbursement are not counted as income (MD) and do not affect the determination of when a household is destitute.

Example:

A household applies on May 10th. On May 3rd the household received a \$500 travel advance and will not receive further wages until May 30th. The household must be considered destitute. The May 3rd travel advance is a reimbursement and is not counted as income (MD). Based on the destitute provisions the May 30th wages are not counted as income (MD) because they will not be received within 10 days of the application date.

If there is a written contract or written employer statement (i.e. growers statement) indicating the travel advance will be subtracted from wages later earned, it is no longer a reimbursement and must be counted as earned income (MC).

Wage Advance

Wage advances whether written or verbal are counted as earned income. (MC)

A wage advance is used to determine new source income and whether a household is destitute.

Exception:

A wage advance for the purpose of travel.

Examples:

1. A household applies on May 10th. On May 3rd the household received a \$500 wage advance and will not receive further wages until May 30th. The household is not considered destitute because the May 3rd wage advance is counted as earned income (MC). The May 30th wages are counted as income (MC) because it is not from a new source.

2. A household applies on May 10th. On May 3rd the household received a \$500 wage advance for travel (by written agreement) and will not receive further wages until May 30th. The household must be considered destitute. The May 3rd wage advance is not counted as income (MD) because it is a reimbursement for travel. Based on the destitute provisions, the May 30th wages are not counted as income (MD) because they will not be received within 10 days of the application date.

Migrant/Seasonal Worker Exemption from Work Requirements and Best

Migrant and seasonal workers under a contract or similar agreement with an employer or crew chief to begin employment within 30 days are exempt from work requirements.

Migrants in the job stream are exempt from <u>BEST</u> and are coded GE on the WORE screen in TECS. Seasonal workers exempt from work requirements are not required to participate in BEST.

Notes

EXERCISE – Destitute Provisions

Migrant or seasonal worker households who received terminated source income before the date of application and the new source income of more than \$25 will not be received before the 10th day after the date of application are considered to be destitute. T or F?

- 1. Destitute households must have their eligibility and level of benefits calculated for the month of application by using only income received between the first of the month and the date of application. T or F?
- 2. Special income calculation procedures apply when a household is **destitute** and entitled to **expedited service**.
- 3. Income normally received on a monthly or more frequent basis is a new source of income if no more than \$25 has been received from that source within 30 days prior to the date of application. T or F?
- 4. A household whose only income for the month of application was from employment that ended and was received by the household prior to application is considered a **terminated** source income.
- 5. A migrant worker's source of income is the employer for whom the individual is working, not the crew chief. **T** or F?
- 6. Destitute provisions apply at initial application and recertification, but only for the first month of each certification period.
- 7. Regular expedited processing standards apply only to seasonal workers. They do not apply to Migrant households.
- 8. In determining expedited timeframes for a migrant household, if the first month of application is denied the original application date is used to determine expedited time frames when processing the second month.

 T or F?
- 9. Benefits must be made available within seven days of the original application date or by the first working day of the second month, whichever is later.
- 10. Travel advances provided to cover travel costs of employees traveling to the location of new employment are treated as a reimbursement and not counted. This income is coded as MD on EAIN.

- 11. If there is a written contract or employer statement indicating the travel advance will be subtracted from wages later earned, it is no longer a reimbursement and must be **counted** and coded **MC** on EAIN.
- 12. Wage advances whether written or verbal are counted as earned income and coded as 'MC' on EAIN. T or F?
- 13. Migrant and seasonal workers under contract or similar agreement with an employer or crew chief to begin employment within 30 days are exempt from work requirements. T or F?
- 14. Migrants in the job stream are exempt from BEST and are coded GE on the WORE screen in TECS. **T** or F?
- 15. Season workers exempt from work requirements are required to participate in BEST. T or F?

Notes

Migrant Case Examples

1. A household arrives in North Dakota on May 16 and applies on May 17. The only income for May was a final paycheck from a job in Texas that was received on May 10. The household expects to go to work on or about June 1 and does not anticipate a wage advance but expects payment on June 8. Liquid assets do not exceed \$100.

This household is destitute. For May, the terminated source income received on May 10 is counted because it was received between the 1st of the month and date of application.

For June, the grower's statement is used to anticipate income because the destitute provisions apply for only the first month of the certification period.

2. A household issued food stamp benefits on June 5 reapplies for July on July 5 and anticipates a payment of \$500 on July 14. The household is not destitute because income of more than \$25 will be received from a new source within 10 days of the household's date of application for July. July benefits must be issued to this household no later than 30 calendar days after the July 5 application date.

The household lost its right to receive food stamps on the regular issuance date because of failure to timely reapply for July. Benefits for July are not prorated as a period of more than one calendar month had not lapsed before the household was recertified.

New Source Income Examples

1. A household applies on July 1 and expects to receive a final payoff of \$2,000 on July 10.

The household is not destitute because income of more than \$25 will be received within 10 days of the date of application.

The \$2000 is counted as income to the household.

2. The household applies on July 1 and expects to receive a final payoff of \$2,000 on July 13.

The household is destitute because income will not be received within 10 days of the date of application. The final payoff is disregarded because it is a payment that will not be received within 10 days of the date of application.

3. A household that was issued food stamps in June timely recertifies for July on June 14 and anticipates a payment of \$2,000 on July 10.

This household is not destitute because the payment will be received within 10 days of July 1.

The \$2000 is counted as income to the household.

Final Payoff Examples

1. A household applies in early June and does not anticipate that they will receive any payment until the end of July at which time the payoff is expected.

The application is processed for June and benefits issued. Based on the anticipated payoff, a 10-day advance notice to decrease benefits for July is sent.

In July, the household reports the payoff will not be received until August 1 and provides verification. The reported change is not acted on for July, as supplements are not issued in the current month.

The anticipated payoff would be used when processing August benefits.

2. The following example illustrates correct treatment of final payments anticipated in July, including all actions throughout the season:

May 20 - The household initially applied, stating that:

- a. Food stamps had not been received elsewhere in May.
- b. A \$500 travel advance was received on May 15 that would be subtracted from wages later earned (at the time of application there was no written statement that the advance would later be deducted from wages); and there was no other household income.
- c. Liquid assets did not exceed \$100.
- d. No further advances would be requested until final payoff in July. The worker verified identity through a collateral contact, but was unable to verify income within the expedited service time frame.

May 26 - The household is certified and issued food stamp benefits for the month of May within the prescribed expedited service time frame. Because in-state income verification for the travel advance was not provided within the appropriate expedited service time frame, June

benefits cannot be issued until income verification is received (postponed verification procedures require assignment of a two-month certification period when application is made after the 15th of the month).

The household was certified as destitute and assigned a two-month certification period because the May 15 travel advance was disregarded while making destitute household determination. The \$500 advance was disregarded as a travel advance under special destitute household income calculation procedures because a written contract (or written employer statement) stating that it was to be deducted from wages later earned was not available within the required expedited service time frame.

May 28 - The worker received a completed Grower's Statement, which stated the following:

- a. Item six indicated that an advance to be subtracted from wages later earned was paid on May 15.
- b. Item 8b was not checked for weekly, biweekly, or monthly payments, and no dollar amounts were entered. Item 8b did, however, contain a handwritten statement to the effect that the household would be paid as requested before the final payoff.
- c. Final payoff, on about July 25, would be in the amount of \$3,000 minus any wage advance paid.
- d. The case is worked for June benefits using no income based on the Grower's Statement.

June 14 - The household timely recertifies for July and reports receipt of a \$2,000 wage advance on June 7. At the time of the recertification interview it was learned that the \$2,000 wage advance had been drawn to pay for a previously unanticipated household emergency.

June 28 - The case is worked for July using July anticipated income of \$500. A one-month certification period is assigned because the household expects to leave North Dakota immediately upon completion of the job about July 25. The \$500 is counted because:

- a. The household received advances before the final payoff, making the anticipated July 25 payoff recurring, rather than new source income.
- b. Only that amount will be received in July. Advances totaling \$2,500 were received in May and June. Only income actually

received or anticipated during the certification period is taken into account at the time of certification.

July 1 - July benefits are issued. In this case situation, no claims against the household are required for either May or June. Because the travel advance could not be verified as an advance that would be deducted from wages later earned within the expedited timeframe, the \$500 advance was correctly excluded from the destitute household income calculation procedure as a travel advance.

The \$2,000 wage advance in June had not been anticipated in time to affect June issuance.

Notes

MODULE: RECERTIFICATION - 430-05-35



Objective

Provide eligibility workers with the information necessary to recertify a household for continued eligibility.



Module Time

Approximate Time

75 Minutes

Notes

LESSON: Recertification Application



Purpose

Explain the recertification process.



eManual References

Recertification Application Notice of Determination 430-05-35-05 430-05-35-10



Policy

Recertification (for all households) is determining continued eligibility based on circumstances **anticipated** for the certification period.

Prior to the expiration of the current certification period, TECS automatically sends:

• Notice X004 – "Recertification Due" and Notice X006 – "Food Stamp Notice of Required Verfications".

Regulations require these notices be sent 45 days prior to the expiration.

• Recertification Application

The applications are sent around the 3rd-to-the-last working day of the month prior to the expiration of the current certification period.

The monthly TECS calendar lists the jobs that run the notices and applications.

To determine continued eligibility, a household must:

 File the recertification application SFN 407 – "Recertification for Food Stamps", or if a client is also on TANF and/or Medicaid, the Vision Redetermination form.

If the household completes the SFN 405 "Application for Assistance" during the recertification month, it must be accepted in place of the SFN 407.

• Complete an interview and provide required verifications.

The date of a recertification application is the date the county receives a signed form.

If a recertification application is not filed in the last month of the certification period, the case will automatically go to close in TECS.

Expedited service does not apply at recertification unless the household files a recertification application after the end of its current certification period.

There are three types of recertification applications:

- 1. Timely A recertification filed by the 15th day of the last month of the certification period.
- 2. Late A recertification filed after the 15th day of the last month of certification period.
- 3. Received after Expiration of Certification Period A recertification application filed the month following the last month of the certification period.

Notice of Determination

Households who file a timely recertification by the 15th of the last month of the certification period must be sent a notice of approval, denial, or pending status by the last day of the current certification period, utilizing the appropriate TECS notice.

Households who file a late recertification after the 15^{th} of the last month of the certification period must be sent a notice of approval, denial, or pending status by the 30^{th} day after the filing of the recertification.

LESSON: Recertification Processing Timeframes



Purpose

Explain the timeframes for processing recertification applications received under varying circumstances.



eManual References

Recertification Processing Timeframes	430-05-35-20
Denying the Recertification Application	430-05-35-20-05
Timely Application for Recertification	430-05-35-20-10
Late Application for Recertification	430-05-35-20-15
Delays in Processing	430-05-35-20-20
Recertifications Received after	
Expiration of Certification Period	430-05-35-20-25



Policy

A timely recertification application must be processed by the end of the current certification period.

A late recertification application must be processed within 30 days after the date the recertification is filed

Denying the Recertification

Households that are ineligible must be sent a notice of denial as soon as possible, but no later than 30 days following the date the recertification application was filed. If the 30th day falls on a weekend or holiday, the recertification application must be denied on the next working day following the 30th day.

If a household has failed to appear for an interview and has made no further contact with the worker to express an interest in pursuing the recertification application, the worker must send the household a notice of denial on the 30th day following the date of application.

The household must file a new application if further program consideration is desired.

Timely Application for Recertification

A recertification application is considered timely when it is filed by the 15th day of the last month of the certification period and the following completed by the last day of the household's current certification period.

- 1. An interview completed; and
- 2. All required verifications are received.

When all of these conditions are met, eligibility must be determined by the end of the current certification period for the new certification period and the appropriate notice sent by the last day of the certification period.

Exceptions - Households Assigned One or Two Month Certification Periods

Households certified for one month, and households certified for two months when the recertification application is processed in the second month, must have 15 days from the mailing date on Notice F802 - Food Stamp 1 Month Certification/Expiration Notice to timely file a recertification application.

If the household is eligible, benefits must be made available no later than 30 days after the last issuance. This could include a recertification application that is received after the household's current certification period has expired.

Example – One-month certification period assigned:

A household was certified for May on May 10 and issued May benefits on May 11. Notice F802 dated May 11 was sent to the household. The household timely reapplies for June (prior to May 26) and is found eligible. June benefits must be made available to the household no later than June 10 (30 days after the last issuance).

Example – Two-month certification period assigned:

A household was certified for April and May on May 25 and issued benefits for April and May on May 26. Notice F802 dated May 26 was sent to the household. Case closed May 31.

The household timely reapplies for June within 15 days (prior to June 10) and is found eligible. June benefits must be made available to the household no later than June 26 (30 days after the last issuance) and are not prorated.

The worker must revert the case to open, NEXT to CLIR and use function 3, enter the case, office, unit and caseload number and enter off the screen. In this instance, the worker must register the recertification application with a benefit start date of June 1 on the REAP screen.

Late Application for Recertification

If a household files a recertification application after the 15th day of the last month of the certification period, it is considered a late recertification. If the interview and all verifications are received prior to the end of the household's current certification period, the worker has 30 days from the date of the recertification application to process it.

If the interview and/or verifications are received after the end of the household's current certification period, delays in processing applies.

Delays in Processing

When a household files a recertification application before the end of its current certification period and takes the required action after the end of the current certification period, responsibility for the delay must be determined.

Determining cause for the delay dictates what action (deny or pend) must be taken on the case and whether or not the household is entitled to benefits retroactive to the date of the recertification application.

Delays Caused by the County

When a delay in the recertification determination period is caused by the county:

- 1. Do not deny the recertification application.
- 2. Notify the household by the 30th day following the recertification application date that it is pending and state the reason.

If the household is found eligible during the second 30-day period, provide retroactive benefits back to the date the certification period should have begun.

Delays Caused by the Household

If a household has failed to complete any part of the recertification application process within 30-days of receipt, the worker must deny the recertification application using the appropriate notice. However, the worker must have taken the following actions before a delay is caused by the household:

- 1. <u>Failure to Complete the Recertification Form:</u> The worker must have offered, or attempted to offer, assistance in completion of the form.
- 2. <u>Failure of Household Member(s) to Register for Work</u>: The worker must have informed the household of the need to complete SFN 385 Affidavit for Work Requirements and given the household at least 10 days from the date of notification to register household members.
- 3. Failure to Provide Required Verification: The worker must have:
 - a. Provided the household with a statement of required verification; and
 - b. Offered to assist the household in obtaining required verification; and
 - c. Allowed the household at least 10 days from the date of request to provide the missing verification.

Examples:

- 1. If the household has failed to appear for the first interview and a subsequent interview is either postponed at the household's request or cannot be rescheduled until after the 20th day but before the 30th day following the recertification application date, the household must appear for the interview, bring verification, and register members for work by the 30th day, otherwise the delay is the fault of the household.
- 2. If the household failed to appear for the first interview and a subsequent interview is postponed at the household's

request until after the 30th day following the recertification application date, the delay is the fault of the household.

If the household takes the required action within 30 days following the end of the current certification period, do not require a new application. Benefits are prorated from the date the verifications are provided.

Examples:

1. A household certified through April 30th files a recertification application on April 17 for May. The application is denied for failure to provide verification on May 17 (30th day). If the household provides the verification after May 17 but prior to May 31, the recertification application that was denied must be registered with a benefit start date of the date the verifications were provided.

If the household provides the verifications on May 31 or later, the household must file a new application.

2. A household certified through February 28th files a recertification application on February 17 for March. The application is denied for failure to provide verification on March 18 (30th day). If the household provides the verification after March 18 or prior to March 31, the recertification application that was denied must be registered with a benefit start date of the date the verifications were provided. (This does not apply to new certification filing date, only to interview and required verifications.)

If the household provides the verifications on March 31 or later, the household must file a new application.

Recertifications Received after Expiration of Certification Period

If a household files a recertification application the month following the last month of the certification period, it is considered an application for recertification; however, benefits must be prorated. Notice F104 – FS Recert – After Cert Expired must be sent to the household.

Example:

A household's certification period expired on June 30 and the household did not file a recertification application in the last month of their certification period (June). The household files a recertification application on July 9. The recertification application is used and benefits are prorated from July 9. A

new Application for Assistance, SFN 405, is not required. (If the client submits a new application form, treat it as a recertification application.)

The worker must revert the case to open, NEXT to CLIR and use function number 3, enter the case number, office, unit and caseload number and enter off the screen. On the REAP screen, the worker must enter the date the recertification application was received on the Application Received line. (This must be reverted to open because the case closed for

"CE" Failure to Recertify reason. The worker does not need the Help Desk's assistance to do this.)

Notes

LESSON: Interviews



Purpose

Explain the policies and procedures as they apply to household interviews.



eManual References

Interviews	430-05-35-30
Waiver of Office Interview	430-05-35-30-05
Scheduling of Interviews	430-05-35-30-10
Things to do Before the Interview	430-05-35-30-15
Things to do During the Interview	430-05-35-30-20
Things to do After the Interview	430-05-35-30-25



Policy

All households, including those submitting recertification applications by mail, must have face-to-face interviews with a worker prior to recertification. An interview must be conducted at the food stamp office or other mutually acceptable location (including a household's residence – this must be scheduled in advance). The primary purpose of interviewing a household is to obtain and furnish information. The interview must be conducted as an official and confidential discussion of household circumstances. The individual's right to privacy must be protected during the interview. Facilities must be adequate to preserve the privacy and confidentiality of the interview.

The individual interviewed may be the head of household, spouse, any other responsible member of the household, or an authorized representative. The worker must review the information that appears on the recertification application, explore and resolve inconsistent and incomplete information.

Households must be advised of their rights and responsibilities during the interview, including the appropriate processing timeframes and the household's responsibility to report changes.

Households that are applying for or receiving TANF must be advised that time limits and other requirements that apply to TANF do not apply to Food Stamps. These households must also be advised that they may still be eligible for Food Stamps if they are no longer receiving TANF because they have reached the TANF time limit, have begun working, or for other reasons

Workers, during the interview, must inquire about any changes in household circumstances between the time the recertification application was completed and the time of the interview.

Changes occurring after the interview but before the date of the notice of eligibility must be reported by the household within 10 days of the date of the notice of eligibility. If a household reports a change after the interview but prior to the recertification being processed, the change must be acted on.

1. The worker must also:

- a. Document the date the recertification application was filed by recording the date it was received by the county.
- b. Examine and explore each section of the recertification application with the household or its authorized representative.
 - (1) If it is incomplete, assist the household in completing the form.
 - (2) Ensure that the recertification application is completed and signed
- c. If the household has not designated an authorized representative, explain to the household the functional capacity of the authorized representative and allow them the opportunity to designate someone.
- d. The worker must remain flexible, avoid biases, be sincerely interested in people, and be sensitive to their individual circumstances.
- 2. The worker must keep in mind an interview is not:
 - a. A criminal investigation.
 - b. A counseling session.
 - c. An interrogation

Waiver of Office Interview

At the county's discretion, a telephone interview can be conducted instead of an office interview if:

- 1. The household is unable to appoint an authorized representative.
- 2. **NONE** of the adult household members are able to come to the office because:
 - a. They are elderly or disabled.
 - b. They are mentally or physically handicapped.
 - c. Of transportation difficulties.
 - d. Other hardships such as, but not limited to: illness, care of a household member, residence in a rural area, prolonged severe weather, or work or training hours which preclude an office interview.

The worker must determine if the transportation difficulty or hardship reported by a household warrants a waiver of the office interview and must document in the case file why a request for a waiver was granted or denied.

A waiver of the face-to-face interview does not exempt the household from verification requirements. Special procedures may be used to permit the household to provide verification and obtain its benefits in a timely manner, such as substituting a collateral contact in cases where documentary verification would normally be provided.

A waiver of the face-to-face interview must not affect the length of the household's certification period.

Scheduling of Interviews

The county must schedule interviews for all recertification applications as promptly as possible. Counties must schedule interviews so that the household has at least 10 days to provide requested verifications before the end of the current certification period.

If the household fails to appear for the first interview, the worker must send notice F018 – Notice of Missed Interview. This notice informs the household that they are responsible to schedule a second interview. If the household contacts the county for a second interview, the interview must be held and the application processed. If the household does not contact the county for a second interview, the application is denied 30 days after the date of application

Things to do Before the Interview

- 1. Register the recertification application if it is received prior to the interview.
- 2. Check Motor Vehicle records:
 - a. Check under names of all household members.
 - b. Check under maiden names, alleged absent parent name, or other names used by household members.
 - c. Print the Motor Vehicle screens and check trade-in value.
 - d. Check for expiration date of license and note any unlicensed vehicles.
- 3. Check FACSES and New Hire.
- 4. Copy the MOIA (Monthly Inquiry Authorization) screens (Function 3 on MOMM menu).
- 5. Read the last narrative.
- 6. Check case alerts.
- 7. Review the last application or recertification form.
- 8. Check IEVS for any alerts that need to be resolved.
- 9. Check DIRE to see if there are any outstanding claims.
- 10. If there is an outstanding claim, check NOHS to see if the client received a Treasury Offset Notice (TOP). If so, and the application is being approved, contact the State Office so the State Office can set the client to "inactive" in the TOP file and reopen the claim. Recoupment will then begin with allotment reduction. Regulations prohibit collection from TOP if the client is an open food stamp case, unless the client is eligible for a zero benefit.
- 11. Put packet together:
 - a. SFN 693 FS Change Reporting Information Fact Sheet
 - b. SFN 385 Affidavit for FS Work Requirements
 - c. DN 1860 Notice to all FSP Work Registrants

- d. Checklist for requested verifications
- e. Any other forms that may be pertinent to the case (i.e. IIM account, authorization for release of information)
- f. Medical Expense Verification Worksheet
- g. SFN 378 Change Report Form

Things to do During the Interview

- 1. Give opportunity to change head of household.
- 2. Discuss work requirements and complete SFN 385 Affidavit for Food Stamp Work Requirements if necessary.
- 3. Review recertification and make sure it is complete.
- 4. Verify base month and current month income received up to time of interview and document projection of income for remainder of interview month and next month.
- 5. Compare information with what is in case record.
- 6. Discuss and clarify any conflicting information.
- 7. Review utility expenses to determine appropriate utility standard.
- 8. Review averaged expenses such as homeowner's insurance, taxes, medical expenses.
- 9. Request and document any needed verification and give client a checklist.
- 10. Review rights and responsibilities.
- 11. Advise households that are applying for or receiving TANF that:
 - Time limits and other requirements that apply to TANF do not apply to Food Stamps.
 - They may still be eligible for Food Stamps if they are no longer receiving TANF because they have reached the TANF time limit, have begun working, or for other reasons.

- 12. Make appropriate referrals and provide brochures for other assistance programs such as Child Care, LIHEAP, Medicaid, TANF, housing, unemployment, WIC.
- 13. Ask if there are any changes that may affect FS benefit or eligibility.
- 14. Explain EBT and schedule training, card replacement or change of PIN if necessary.

Things to do After the Interview

- 1. Register the recertification application in TECS if it was not received prior to the interview.
- 2. Send a pending notice if appropriate.
- 3. Complete the application and authorize benefits.
- 4. Send the appropriate determination notice.
- 5. Write the narrative.

Notes

LESSON: SSI Households Recertifying for Food Stamps at SSA



Purpose

Explain the procedure when a household recertifies at SSA.



eManual References

SSI Households Recertifying for Food Stamps at SSA

430-05-35-35



Policy

Households in which all members are in receipt of or applying for SSI are permitted to file a food stamp recertification application with the SSA.

Form SSA-4233 - Social Security Administration Transmittal for Food Stamp Application is used to transmit SSI recipient food stamp applications to the county.

Where SSA accepts and refers the recertification application, the household must not be required to appear at a second office interview, although the worker may conduct an out-of-office interview, if necessary.

LESSON: Mandatory Verification and Narrative



Purpose

Explain the mandatory verification and narrative requirements for recertification.



eManual References

Mandatory Verification Narrative/Documentation 430-05-35-40 430-05-35-45



Policy

The worker MUST verify the following information at **recertification**:

1. SSN - must be provided for all household members not previously provided.

Exception - Newborn:

A newborn without a SSN must be included in the household. The household must provide the SSN or proof of application at the next recertification or within six months following the month the baby is born, whichever is later.

- 2. Identity Must be verified for a newly designated authorized representative if the authorized representative completes the interview.
- 3. Residency Must be verified if household has moved.
- 4. Disability:
 - a. Permanent disability, not previously verified, must be verified for any household member.

b. If the disability is not obvious, the household must provide a statement from a physician, licensed or certified psychologist, certifying that the individual is disabled.

5. Income:

- a. Changes in the source of income must be verified.
- b. The unearned income for all household members must be verified.

Exception:

Client statement of the household's interest or dividend income from all sources when it is paid out and is \$50 or less per month (\$600 or less per year) is acceptable, unless questionable.

- c. Gross earned income must be verified for the following individuals:
 - (1.) Age 18 and older.
 - (2.) Age 16 and older if not attending school at least half time.

Actual income from the month of recertification to the date of interview must be verified and documented. Income for the remainder of the month must be established and documented based on client information and prudent person judgment. This may include using verification of last month's income if that is what the household anticipates for the first month of the new certification period.

If all income for the month of recertification is available prior to the interview date, that income must be used for the first month of the new certification period. If the household anticipates a change for the first month of the new certification period, that change must be verified and used.

If all income for the month of recertification is not available and the household cannot reasonably anticipate the amount of income for the first month of the new certification period, base month income must be used.

Documentation must explain how the worker arrived at the amount of income used.

In all examples that follow, pay dates are the 5th and 20th of each month.

Calculation:	Example: Documentation must support the use of
Calculation:	these amounts
March 20 \$400.00	a. Current income.
April 5 \$425.00	a. Current meome.
Total \$825.00	Household submitted a recertification application on
10tai \$625.00	April 5 and interviewed on April 9. At interview
	household provides March 5 check - \$250.00 gross
	income, March 20 check - \$400.00 gross income, and
	April 5 check - \$425.00 gross income. During the
	interview household indicates that March 5 check is
	short hours due to inclement weather. Household
	anticipates May income to be the same as March 20
	and April 5 checks. These two checks – totaling
	\$825.00 gross income are used to determine May
	benefits.
April 5 \$350.00	b. Decreased income.
X2	Decreased meaner
\$750.00	Household submitted a recertification application on
1,753333	April 5 and interviewed on April 9. At interview
	household provides March 5 check - \$500.00 gross
	income, March 20 check - \$500.00 gross income, and
	April 5 check - \$350.00 gross income. April 5 check
	indicates a decrease in hours. At the interview the
	household indicates the decrease in hours is ongoing
	due to employer cutting back all employee's hours.
	Take April 5 check times two to anticipate May gross
	income of \$700.00. The April 5 check verifies the
	decrease in hours unless the worker, using prudent
	judgment, believes it is necessary to obtain additional
	verification.
March 5 \$300.00	c. No change – Base Month.
March 20 <u>450.00</u>	Household submitted a recertification application on
Total \$750.00	April 5 and interviewed on April 9. At interview
	household provides March 5 check - \$300.00 gross
	income, March 20 check - \$450.00 gross income, and
	April 5 check - \$190.00. At interview household
	indicates March income is what they anticipate for
	the month of May. March income totaling \$750.00
	gross income is used to determine May benefits.
	gross meome is used to determine way benefits.

	· ·
April 5 \$412.00	d. <u>Increased income.</u>
Divided by \$5.15/hr.	
<u>80 hours</u>	
	Household submitted a recertification application on
	April 5 and interviewed on April 9. At interview
\$5.40	household provides March 5 check - \$412.00 gross
<u>X80</u>	income, March 20 check - \$412.00 gross income, and
\$432.00	April 5 check - \$412.00 gross income. At interview household indicates a pay raise from \$5.15 per hour
\$432.00	to \$5.40 per hour that will be reflective on April 20
X2	paycheck. Household indicates no change in 40 hours
\$864.00	per week. Take April hours from the April 5 th check
	times the new pay rate times two to anticipate May
	gross income of \$864.00. The rate change must be
	verified.
April 5 \$510.00	e. Late recert – Current Income.
April 20 \$480.00	<u> </u>
Total \$990.00	
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Household submitted a recertification application on
	April 5 and interviewed on April 27. At interview
	household provides March 5 check - \$490.00 gross
	income, March 20 check - \$490.00 gross income,
	April 5 check - \$510.00 gross income, and April 20
	check - \$480.00 gross income. Household indicated
	that there would be no change in income for May.
	April gross income totaling \$990.00 is used to
	determine May benefits.
	f. <u>Late recert – Pended.</u>
	Household submitted a recertification application on April 16 and interviewed on April 27. At interview
	household provides March 5 check - \$200.00 gross
	income and March 20 check - \$600.00 gross income.
	All April income has been received by household
	prior to the date of interview. Recertification must be
	pended for verification of all April income. If not
	provided by May 16, the recertification must be
	denied.
	If the household provides all April income anytime
	between April 27 and April 30, the worker has until
	May 16 to complete the recertification.

6. Deductible Expenses - The worker must document the request for verifications. **If not provided the expense is not allowed.**

There is no requirement that expenses be paid, only incurred.

Exception:

Child support must be paid.

- a. Rent Must be verified only if the amount has changed or the household has moved.
- b. Mortgage Payment (including a second mortgage) Must be verified only if the amount has changed or household has moved.
- c. Mobile Home Lot Rent Must be verified only if the amount has changed or household has moved.
- d. Condominium and Association Fees
- e. Property Taxes (if not included in the mortgage payment). Must verify most current year's incurred amount if not previously verified.
- f. Homeowners Insurance (if not included in the mortgage payment). Must verify most current amount if not previously verified.
- g. Legally Obligated/Actual Child Support Paid Court ordered amount, child support paid, including arrearages, health insurance premiums and vendor payments, must be verified.
- h. Dependent Care Deduction Current adult or child care expenses must be verified.
- i. Incurred Medical Expenses for Elderly (60 years of age) or Disabled Individuals must be verified.
- j. Utility Expenses verification of current expenses must be provided when a household has moved.
- 7. Alien Status Must be verified for any new household members.
- 8. Verification of Questionable Information
 - a. Assets
 - b. Household Composition

- c. Citizenship for any new household members.
- d. Any other household discrepancies

Narrative/Documentation

Case files must be documented to support eligibility, ineligibility, and benefit level determinations. Documentation must be detailed to permit a reviewer to determine the reasonableness and accuracy of the determination. Document ALL requests for verification and whether or not the verification was provided.

Notes

LESSON: Certification Periods at Recertification



Purpose

Review policy as it pertains to certification periods at recertification.



eManual References

Certification Periods at Recertification

430-05-35-50



Policy

Certification periods, conforming to calendar months, must be assigned to all eligible households. At initial application, the first month of the certification period will generally be the month in which the application is filed.

Households must be assigned the longest certification period (1 to 12 months) based on the predictability of the household's circumstances.

For food stamp households, the worker is responsible to assign the appropriate certification period, up to 12 months, based on whatever is most appropriate for the household.

Exceptions:

- 1. Households, other than those listed below, that have earned income must be certified for no more than six months.
 - a. Any combination Food Stamp/TANF case.
 - b. Any combination Food Stamp/Medicaid case subject to monthly reporting for Medicaid purposes.

- c. Self-employed households with annualized income.
- d. Households with averaged contract income.
- e. These households may be assigned certification periods of up to 12 months.
- 2. Households, in which all members are in receipt of TANF, must be assigned certification periods that are the same as the TANF certification period, to the extent possible.
- 3. Households eligible for a child support deduction that have no record of regular child support payments or of child support arrearages must be certified for no more than three months.
- 4. Households with a record of regular child support payments and/or child support arrearages must be certified for no more than six months.
- 5. Households containing individuals who are not exempt from the ABAWD provisions must be certified for no more than three months.
- 6. Adult siblings (age 18 or older) who live together but claim separate household status must be certified for no more than six months.
- 7. Adult children over 22 who live with parents but claim separate household status must be certified for no more than six months.

Notes

LESSON: Case Suspensions at Recertification



Purpose

Review policy as it pertains to case suspensions at recertification.



eManual References

Case Suspension

430-05-35-55



Policy

A case is suspended for the first month of a new certification period when there is an extra check from a recurring source and ineligibility is expected to last for only one month.

LESSON: Notice Requirement



Purpose

Review the notice requirements for recertification.



eManual References

Notice Requirements

430-05-35-60



Policy

A 10-day advance notice is not required at recertification, when a decrease, suspension, or termination results. A recertification application is considered the same as an initial application.

Pending

F305 - Food Stamp Recert Pended - Other Reason

Approvals

F103 - FS Case Recertified Eligible

F104 – FS Recert – After Cert. Expired

Denials

F211 - Recert Deny/ABAWDS Work Non Compliance

F212 - Recert Denied - Failed to Provide Info

F215 - Failure to Complete Recert Interview

F216 - Recertification Denied - Excess Income

F217 - Recertification Denied - Excess Assets

F219 - Recert Denial - Drug Disqualification

F228 - Recert Denied - Work Registration/Job Search

F232 - Recertification Denied - Zero Benefit

F235 – Recertification Denial - Voluntary Job Quit

F240 – TANF Information and Referral Services

F241 – QC Review Non-Compliance Denial

If client requests case closure at Recertification use the "other reasons" denial code and narrate the client's request in the notice.

Miscellaneous

F802 - FS 1 or 2 - month Certification/Expiration Notice

Notes

EXERCISE: One - Recertifications - True or False



- 45 days prior to the expiration of the certification period the system automatically sends out the X004 Notice of Recertification Due and X006 FS Notice of Required Verifications.

 T or F?
- 2. The monthly TECS calendar lists the dates of deadlines and when automatic notices are printed and sent.
 T or F?
- 3. The household is not required to complete a recertification interview prior to determining continued eligibility. T or F?
- 4. A recertification application received in the month following the case closing for certification ending is considered a new application. T or F?
- 5. If the recertification application is received prior to the 15th of the last month of the certification period the case must be processed by the last day of the current certification period.

 T or F?
- 6. A late recertification (received after the 15th of the last month of the certification period) must be processed within 30 days.
 T or F?
- 7. When denying a recertification application if the 30th day falls on a weekend or holiday the denial must be processed by the day prior to the weekend or holiday. T or F?
- 8. If a household files a recertification application the month following the last month of the certification period the benefits are not prorated. T or F?
- At recertification the worker must review all mandatory verifications and obtain those in which a change has occurred, such as residence, SSN or disability.
- 10. Actual income for the month of recertification to the date of interview must be verified and documented. Tor F?
- 11. If all income for the month of recertification is available prior to the interview date, that income must be used for the first month of the new certification period. Tor F? Unless household reports and verifies a change.

- 12. If the household anticipates a change for the first month of the new certification period, that change can be acted on without verification. T or ?
- 13. All deductible expenses must be verified at recertification. T or \mathbf{F} ?
- 14. Combination FS/TF or FS/ME cases with earned income can be certified for up to 12 months.
 T or F?
- 15. Households eligible for a child support deduction that do not have record of regular child support payments must be certified for no more than three months. Tor F?
- 16. Adult children over 22 who live with parents but claim separate household status must be certified for no more than six months. To F?
- 17. A case can be suspended for the first month of a new certification period when there is an extra check from a recurring source and ineligibility is expected to last for only one month. T or F?

MODULE: WORK REQUIREMENTS 430-05-40



Objective

Provide eligibility workers with information necessary to correctly determine the household is meeting the requirements under work registration, BEST, JOBS and ABAWDS when determining eligibility.



Module Time

Approximate Time

2 Hours 10 Minutes

Notes

LESSON: Work Requirements



Purpose

Provide the eligibility worker with the information necessary to determine if the client is meeting the work requirements as required by policy.



eManual References

Work Requirements for Participation	430-05-40
Work Requirements	430-05-40-05
Exemptions from Work Requirements	430-05-40-10
Loss of Exempt Status	430-05-40-10-05
Worker Responsibilities	430-05-40-15
Household Responsibilities	430-05-40-20
Failure to Comply	430-05-40-25
Suitable Employment	430-05-40-25-05
Good Cause	430-05-40-25-10



Policy

Individuals are required to:

- Register for work by completing the SFN 385 Affidavit for Food Stamp Work Requirements at the time of application and every 12 months.
- Seek and accept suitable employment.
- Have good cause when quitting suitable employment.
- Comply with Job Opportunities and Basic Skills (JOBS) and Basic Employment Skills Training (BEST) requirements.
- Comply with Unemployment Insurance Benefits (UIB).

Workers are required to provide DN 1860 - Notice to All Food Stamp Work Registrants at the time of application and every 12 months.

Individuals are **not** required to:

- Register for work at Job Service.
- Apply for Unemployment Benefits.

Exemptions from Work Requirements

The following individuals are exempt from the work requirements (client statement is acceptable unless questionable):

- 1. Individuals age 60 or older. If an individual turns age 60 during the month of application, they are exempt.
- 2. Individuals younger than 16 years of age.

If an individual reaches their 16th birthday and they are not exempt, they must register as part of the next scheduled certification process.

- 3. Individuals age 16 or 17 if:
 - a. Not the head of household, or
 - b. Attending school, or
 - c. Enrolled in an employment or training program at least half-time.
- 4. An individual enrolled at least **half-time** in high school or working to obtain a GED, in any recognized school, training program, or institution of higher education.

An individual remains **exempt** during normal periods of class attendance, vacation, and recess

If an individual graduates, is suspended or expelled, drops out, or does not intend to register for the next normal term (excluding summer school), they are no longer considered a student and are not exempt.

Examples:

1. An individual who graduates from high school in May and anticipates or is accepted for the fall semester in an institution of higher education is not considered a student

until the first day of the school term and is not exempt from the work requirements.

- 2. An individual, who has not attended the prior school term but anticipates or is accepted for the next term, is not considered a student until the first day of the school term and is not exempt from the work requirements.
- 5. Individuals physically or mentally unable to work. If the physical or mental incapacity is obvious and known to the worker, it should be documented in the case file and no further verification is needed.

If the physical or mental incapacity is not obvious or known to the worker, verification is required.

Examples:

- A physician's statement.
- A statement from a licensed or certified psychologist or psychiatrist.
- Application for, receipt of, or entitlement to temporary or permanent disability benefits.
- Individuals who are appealing a SSA or SSI denial.
- Individuals who are accepted and actively involved in services through Vocational Rehabilitation as verified by Vocational Rehabilitation.
- 6. An individual in receipt of Temporary Assistance to Needy Families (TANF) or Tribal Work Experience Program (TWEP).
- 7. A parent or other household member responsible for the care of a dependent child under six or an incapacitated individual who is a member of the food stamp household. Only one member may claim an exemption as the primary person responsible for the care of dependents when the responsibility is shared.

If the child's sixth birthday is reached within a certification period, the individual responsible for the child's care must register as part of the next regular recertification process unless otherwise exempt.

The exemption for the primary care giver can be changed during the household's certification period.

- 8. Individuals who are in receipt of unemployment compensation including Railroad Unemployment Benefits or one who **has applied for and is eligible**, but has not yet started to receive unemployment compensation. If the eligibility is questionable, verification must be obtained.
- 9. A **regular** participant (whether in or outpatient) in a drug addiction or alcohol treatment and rehabilitation program.
- 10. Individuals who are employed and working at least 30 hours weekly (can be averaged) or receiving weekly earnings at least equal to the federal minimum wage multiplied by 30 hours. This includes:
 - a. Self-employed individuals who are certified for one year when the worker determines that the employment constitutes a full-time job.
 - b. Individuals receiving a training wage. The training wage must be substituted for the applicable federal or state minimum wage when determining if the individual is exempt from work requirements.
 - c. State certified individuals who home school their children a minimum of 30 hours per week. For State certification, the school district must have certified the individual to do home schooling.
 - d. Individuals who, by contract, derive their annual income in a period of time shorter than one year.

Loss of Exempt Status

Individuals losing exempt status due to any change in circumstances **subject to the mandatory reporting requirements** must comply when the change is reported.

If a change is reported in person by the household member required to register, the individual must complete SFN 385 - Affidavit for Food Stamp Work Requirements and be given DN 1860 Notice to All Food Stamp Work Registrants at the time the change is reported.

If the change is reported in person by any responsible household member, the individual reporting the change can complete the SFN 385 and deliver DN 1860 to the member required to register. If the form is not completed by the household member reporting the change, it must be completed and returned to the worker within ten calendar days from the date the form was given.

If the change is reported by phone or through the mail, the worker is responsible for providing the individual with SFN 385 and DN 1860.

An individual is responsible for returning SFN 385 to the county within ten calendar days from the date the county mailed it. If the household fails to return the form, a 10-day advance notice must be sent stating that the individual is ineligible and that ineligibility can be avoided by returning the form.

Individuals who are no longer exempt due to a change in circumstances that are **not subject to the mandatory reporting requirements** must comply at the household's next recertification.

Worker Responsibilities

When it is determined that a member of the household is required to register for work, the worker must:

- 1 Explain the client's rights, responsibilities, requirements and consequences of failure to comply.
- 2 Provide DN 1860 Notice to All Food Stamp Work Registrants for each household member required to register.
- 3 Provide SFN 385 Affidavit for Food Stamp Work Requirements for household members required to register and permit the applicant (or other responsible household member or authorized representative) to complete the affidavit for those members.

Work requirements are complete when SFN 385 has been signed and returned to the worker. The work registration date of all members must be entered on the WORE screen in TECS and the completed SFN 385 filed in the household case file.

Household Responsibilities

Individuals required to register for work must:

- Participate in the Food Stamp Basic Employment and Skills Training (BEST) Program (Burleigh and Cass counties), if referred.
- 2 Respond to a request from the county or Job Service North Dakota for supplemental information regarding employability status or availability for work.

- Report to an employer to whom referred if the potential employment meets the suitable employment criteria described in this chapter.
- 4 Accept a bona fide offer of suitable employment described in this chapter at a wage not less than the Federal minimum wage.
- 5 Not voluntarily and without good cause quit a job of 30 hours or more a week or reduce work effort to less than 30 hours a week.

Failure to Comply

All **non-exempt** individuals between age 16 and 60 are ineligible to participate if the individual:

- 1. Refuses to register for work by failing to complete SFN 385 Affidavit for Food Stamp Work Requirements.
- 2. Refuses without good cause to participate in the BEST program (Burleigh and Cass counties).
- 3. Refuses, without good cause, to accept an offer of employment not subject to strike or lockout at the time of refusal, at a wage equal to the higher of the federal or state minimum wage, or 80% of the wage that would have governed had the minimum hourly rate of the Fair Labor Standard Act been applicable to the offer of employment.

Example:

An employer contacts a county with a job opportunity. The county refers an individual who does not contact the potential employer or refuses a job offer of 30 hours or more per week. A disqualification would be imposed.

- 4. Refuses without good cause to provide the **worker** with sufficient information to allow a determination of the employment status or the job availability of the individual.
- 5. Voluntarily and without good cause:
 - a. Quits a job
 - b. Reduces work hours and after the reduction, the individual is working less than 30 hours per week. The reduction in hours must be initiated by the individual, not the employer.

Exception:

A temporary voluntary reduction in earnings in order to eventually obtain a higher rate of pay at a different job with the same employer or a new employer does not subject the individual to disqualification. Current rules recognize that job changes occur and allows the individual to avoid disqualification.

Example:

A gas station attendant quits a 35-hour a week job to accept employment of 20 hours per week as an assistant manager at a retail store. The new employment will become a 40-hour a week position within three months.

Suitable Employment

Employment is suitable if:

- 1. The wage offered is not less than the highest of the applicable Federal minimum wage, the applicable State minimum wage, or 80% of the Federal minimum wage if neither the Federal nor State minimum wage is applicable (waiters/waitresses).
- 2. The employment is on a piece-rate basis, and the average hourly yield the employee can reasonably be expected to earn not less than the highest of the applicable Federal minimum wage, the applicable State minimum wage or 80% of the Federal minimum wage if neither the Federal or State minimum wage is applicable.
- 3. As a condition of employment or continuing employment the individual is not required to join, resign from, or refrain from joining any legitimate labor union.
- 4. The employment is not at a site subject to a strike or lockout at the time of the offer unless the strike has been enjoined under the Taft-Hartley Act, or an injunction has been issued under Section 10 of the Railway Labor Act.
- 5. The individual cannot demonstrate or the worker is not aware that the degree of risk to health and safety is unreasonable.

- 6. The individual cannot demonstrate or the worker is not aware that they are physically or mentally unable to work, as documented by medical evidence or by reliable information from other sources.
- 7. The individual cannot demonstrate or the worker is not aware that the distance from their home to the place of employment is unreasonable considering the expected wage and the time and cost of commuting.

Employment is not suitable if daily commuting time exceeds two hours per day, not including transporting a child to and from a child care facility. This also applies to moves within state as well as from state to state.

Examples:

- 1. A household moves from Moorhead, Minnesota to Fargo, North Dakota. The commuting time to the current job remains under 2 hours, but an individual quit this job to move. This is considered suitable employment and good cause would not be granted even though the household has moved from one state to another.
- 2. A household moves from Fargo to Bismarck, North Dakota. The commuting time to the current job exceeds 2 hours daily and the individual quit this job to move. This is not considered suitable employment and good cause would be granted.

Employment is not suitable if the distance to the place of employment prohibits walking and neither public nor private transportation is available.

8. The individual cannot demonstrate or the worker is not aware that the work hours or nature of the employment interferes with the individual's religious observances, convictions or beliefs.

Example:

A Seventh Day Adventist could refuse to work on Saturday.

9. The employment offered within the first 30 days of registration is in the individual's major field of experience

Good Cause

The worker is responsible for determining good cause when an individual has failed to comply with any of the provisions of this chapter. Factors to consider include information submitted by the household member involved and the employer.

Good cause for leaving employment includes but is not limited to:

- 1. Discrimination by an employer based on age, race, sex, color, handicap, religious beliefs, national origin, or political beliefs.
- 2. Work demands or conditions that render continued employment unreasonable.

Example:

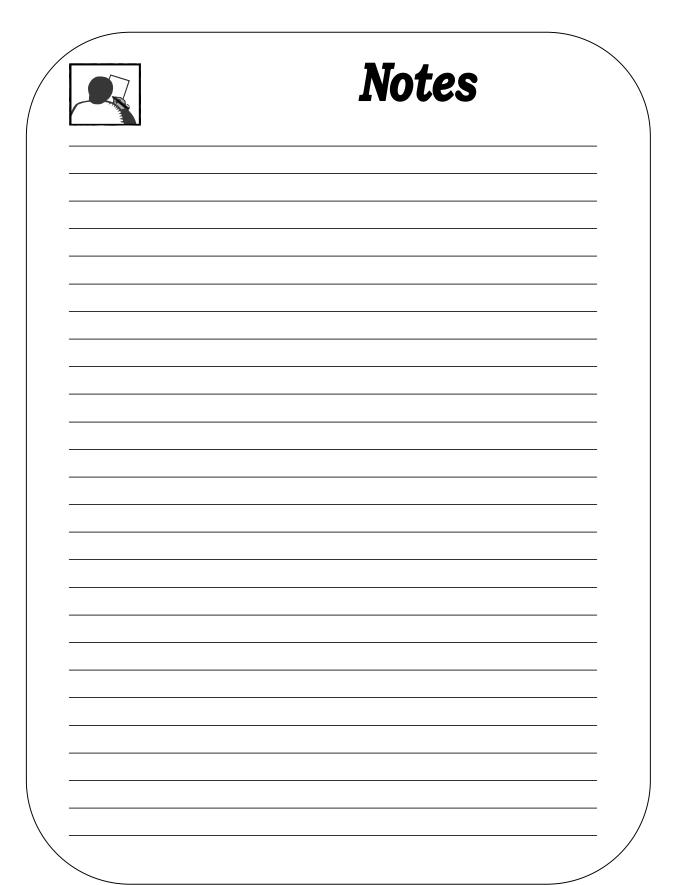
Working without being paid on schedule.

- 3. If any household member accepts employment, or enrolls at least half-time in any recognized school, training program, or institution of higher education that requires the wage earner to leave employment or move to another area.
- 4. Resignations by individuals under the age of 60 that are recognized by the employer as retirement.
- 5. Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another.

Examples:

Migrant farm labor or construction work.

- 6. Resigning from a job that does not meet the suitable employment criteria.
- 7. Circumstances beyond the individual's control, including but not limited to:
 - 1 Illness.
 - 2 Illness of another household member requiring the presence of the individual.
 - 3 A household emergency.
 - 4 Unavailability of transportation.
 - 5 Lack of adequate child care for children who have reached age six, but are under age 12.
 - 6 Acceptance of employment of more than 30 hours a week that doesn't materialize or results in employment of less than 30 hours a week.



EXERCISE: One - Work Requirements



1.	Workers are required to provide the SFN 385 – Affidavit for FS Work Requirements and DN 1860 – Notice to All Food Stamp Work Registrants at the time of <u>application</u> and every <u>12</u> months.
2.	Individuals are not required to register for work at Job Service or apply for Unemployment benefits? True or False
3.	Individuals are exempt from the work requirements if they are age _60 or older or younger than _16 years of age.
4.	An individual enrolled at leasthalf-time in high school or working to obtain aGED is exempt from work requirements.
5.	An individual who graduates from high school in May and anticipates or is accepted for the fall semester in an institution of higher education is not considered a student until the first day of the school term and is not exempt from the work requirements. True or False
6.	If the client's physical or mental incapacity is obvious and known to the worker, it should be documented in the case file and no further verification is needed. True or False
7.	An individual in receipt of TANF or TWEP is exempt from the work requirements? True or False
8.	Individuals losing status due to a change in circumstances are subject to the work requirements.
9.	All non-exempt individuals between age 16 and 60 who refuse, without good cause, to comply with the work requirements are <u>ineligible</u> .
10.	The worker is responsible for determining good cause when an individual has failed to comply with work requirements.

LESSON: Voluntary Quit



Purpose

Provide eligibility workers with information necessary to correctly determine whether the voluntary quit provisions apply.



eManual References

Voluntary Quit Verification 430-05-40-30 430-05-40-35



Policy

When an individual quits or loses a job through their own actions or reduces their work effort voluntarily and after the reduction is working less than 30 hours per week, the worker must explore whether the voluntary quit provisions apply. The voluntary quit provisions do not apply to individuals exempt from the work requirements, other than individuals exempt due to employment of 30 hours per week.

When a household files an application for participation, or when a participating household reports the loss of a source of income or a reduction in hours, the worker must determine:

- 1. If the quit or reduction in hours occurred within 30 days prior to the date of initial application or anytime prior to the certification of the initial application.
- 2. If the individual was a **mandatory** work registrant at the time of the quit or reduction in hours.
- 3. If the individual was **hired** for employment of 30 hours or more per week (can be averaged), regardless of the length of employment.

Example:

A mandatory work registrant was hired to work 30 hours per week. The individual quit the second day of employment without good cause. This would be considered a voluntary job quit.

- 4. If the individual received weekly earnings at least equivalent to the federal minimum wage currently in effect multiplied by 30 hours.
- 5. If the quit was without good cause.

Benefits must not be delayed beyond expedited processing time frames pending the outcome of the determination.

If it is determined that a voluntary quit or reduction in hours occurred after benefits have been issued and verifications were postponed in order to meet the expedited time frames, a claim must NOT be established.

A disqualification penalty **is applied** to a voluntary quit when an individual:

- 1. Voluntarily quits or reduced hours without good cause.
- 2. Simply leaves a job unannounced or does not return to work without good cause.
- 3. Had been warned by the employer and continues the objectionable behavior after the warning and is terminated.

Example:

An individual is continually late for work or does not show up for work.

4. Is terminated without prior warning.

Examples:

Stealing from the employer or drinking on the job.

If the individual states they quit a job or reduced their hours and is not claiming good cause, an employer contact is not required. This must be thoroughly documented in the case file.

A disqualification penalty is not applied to a voluntary quit when:

- 1. The reason for the termination/reduction was beyond the individual's control.
- 2. Terminating a self-employment enterprise.
- 3. Resigning a job at the demand of an employer, when an individual has been given the option of resigning or being terminated due to circumstances beyond the individual's control.
- 4. Terminating employment through a training program such as WIA.
- 5. An individual quits a job, secures new employment at comparable wages or hours and is then laid off, or through no fault of their own loses the new job, the earlier quit will not form the basis of a disqualification.

Examples:

- 1. An individual quits a full-time job without good cause and several days later applies for food stamps. At the time of application, the individual has secured new employment and is exempt from work requirements. A disqualification would not be imposed against the individual as at the time of application, the individual is exempt from the work requirements.
- 2. During a certification period an individual quits a job without good cause, secures new employment, and reports this information within 10-days. The new employment exempts the individual from the work requirements. The individual would not be disqualified because the individual had obtained new employment before a disqualification could be imposed.

If the individual had failed to timely report, a disqualification would not be imposed; however, the worker must determine based on 10-10-10 whether or not there is a claim. If an underpayment would result, benefits are not issued as the household failed to report timely.

Verification

If the information provided by the household is questionable, the worker must request verification. The primary responsibility for providing verification rests with the household. The worker must offer assistance in obtaining the needed verification if necessary. Types of verification include but are not limited to:

- The previous employer.
- Employee associations.
- Union representatives.
- Previous co-workers.

A household will not be denied access to the program when a quit resulted from circumstances that cannot be verified, including but not limited to:

- Discrimination practices.
- Unreasonable demands by an employer.
- The employer cannot be located.

Notes		

EXERCISE: One - Work Requirements - Voluntary Quit Provisions



1.	The voluntary qu	uit pro	ovisions do not apply to individuals exempt from the
	work requirements, other than individuals exempt due to employment of 30		
	hours per week.	True	or False

- 2. If the household reports the <u>loss</u> of a source of income or a <u>reduction</u> in hours, the worker must determine if the voluntary quit provisions apply.
- 3. Benefits must not be delayed beyond expedited processing timeframes pending the outcome of the voluntary quit determination. <u>True</u> or False
- 4. An individual is continually late for work or fails to show up for work resulting in the termination of their employment. A disqualification penalty due to the voluntary quit provisions need not be pursued. True or False
- 5. An individual quits a full-time job without good cause and several days later applies for food stamps. At the time of application, the individual has secured new employment and is exempt from work requirements. A disqualification would not be imposed against the individual as at the time of application, the individual is exempt from the work requirements. True or False
- 6. If the information relating to a job quit provided by the household is questionable the worker must request <u>verification</u>

LESSON: Disqualification for Failure to Comply with Work Requirements



Purpose

Provide eligibility workers the information necessary to correctly determine and apply disqualification periods.



eManual References

Disqualification for Failure to Comply Disqualification Time Frames

430-05-40-40 430-05-40-40-05



Policy

An individual who fails to comply with work requirements for participation is ineligible to participate.

The TECS participation code for that individual on the SSDO screen is "DW".

Joining Another Household

If the individual who failed to comply with the work requirements joins another household, the individual is an excluded household member. The disqualification continues until the individual complies or becomes exempt. The individual may be eligible to participate during the disqualification period by becoming exempt from work requirements.

Moving from a BEST County

If an individual disqualified from BEST moves from a BEST county to a non-BEST county, eligibility must be re-established.

If the individual is not exempt from the work requirements for participation, Form SFN 385 - Affidavit for Food Stamp Work Requirements must be completed, and Form DN 1860 - Notice to All Food Stamp Work Registrants must be provided.

Disqualification Time Frames

For new applicants, the disqualification period will begin with the date of application.

For ongoing cases, once a determination that good cause does not exist has been made, the worker must send the household a 10-day advance notice. The disqualification period begins with the first month following expiration of the 10-day advance notice period, unless a fair hearing is requested.

If the individual complies with the requirement during the 10-day advance notice period or prior to the effective date of the disqualification, the proposed disqualification is cancelled and is not counted as a violation.

If the worker fails to act timely to disqualify an individual for non-compliance with a work requirement, the worker must implement the full disqualification and establish a claim based on 10-10-10 procedures.

For any individual who fails to comply with the work requirements, the disqualification time frame is one month. This disqualification continues until the individual complies with the requirements for participation or becomes exempt.

A disqualified individual may be permitted to resume participation during the disqualification period (if otherwise eligible) by becoming exempt from work requirements or complying with the work requirements.

Once the disqualification period has been served, the completion of Form SFN 385, Affidavit for Food Stamp Work Requirements **does not** negate the disqualification.

The disqualification continues on closed cases until the individual becomes exempt from the work requirement or complies with the work requirement.

Examples:

- 1. An individual quits a job without good cause. The individual must obtain employment of at least 30 hours per week, employment that is equal to 30 hours per week times the federal minimum wage or become exempt.
- 2. An individual initially applied for food stamps on December 27 and is interviewed on January 15. During the interview it was

determined that the individual quit a job without good cause on December 20 but has obtained employment on January 3.

The application must be denied for the month of December as the individual quit a job without good cause and applied in the month of December. As the individual obtained new employment in January, the same application must be used for the month of January.

- 3. An individual quits a job without good cause and is disqualified from the Food Stamp program. At a later date the household (including the disqualified individual) applies for and is found eligible for TANF. The individual is exempt from the work requirements based on receipt of TANF and may be eligible for Food Stamps.
- 4. An individual in an ongoing case quits a job without good cause and is disqualified. In month one of the sanction, the individual reports that their five year old son moved in and they are now responsible for the care of this child. The disqualification may be ended at the end of month one, and the individual may be eligible for the next benefit month (if otherwise eligible).
- 5. An individual was hired to work 30 hours a week at minimum wage. Several weeks after obtaining this employment the individual was given a \$2.00 per hour raise. The individual then voluntarily reduced work hours to 25 hours per week without good cause. This is NOT considered a voluntary reduction in hours as the individual is exempt from the work requirements.

If the individual was working 30 hours a week at minimum wage at the time they reduced work hours to 25 hours per week without good cause, this would be considered a voluntary reduction in hours.

Minimum wage = \$5.15 X 30 hours = \$154.50 \$7.15 X 25 hours = \$178.75

EXERCISE: One - Work Requirements – Disqualifications and Failure to Comply



- 1. The TECS participation code for an individual who fails to comply with work requirements is "_DW_____".
- 2. The disqualification continues until the individual complies or becomes
 exempt
 .
- 3. The worker must send the household a 10 day advance notice prior to implementing a disqualification. True or False
- 4. The disqualification period begins with the <u>first month</u> following the expiration of the advance notice period.
- 5. If the individual complies with the work requirement within the 10 day advance notice period or prior to the effective date of the disqualification, the disqualification is **cancelled and not counted as a violation**.

LESSON: JOBS - Job Opportunities and Basic Skills and Unemployment Compensation



Purpose

Provide eligibility workers information to determine the household is complying with the JOBS and UIB requirements.



eManual References

Job Opportunities and Basic Skills (JOBS) and Unemployment Compensation

430-05-40-45



Policy

The following provisions apply to both BEST and non-BEST counties.

An individual in receipt of TANF or an individual in receipt of UIB is disqualified from the Food Stamp Program for failure to comply with JOBS or UIB requirements. Based on discussion with the State Job Service Office and requirements for receipt of unemployment benefits, there is no failure to comply with UIB requirements. The individual simply does not receive a benefit.

Exception:

If an individual is exempt from the Food Stamp work requirements for a reason other then receipt of TANF or UIB.

If an individual is sanctioned for TANF due to non-compliance with JOBS and they do not fully complete a 10-day proof of performance (POP) prior to or on the second to the last working day of the sanction penalty month, a TANF benefit must not be anticipated for the next month.

If an individual fully completes a 10-day POP prior to or on the second to the last working day of a month, a TANF benefit must be anticipated for the next month.

Examples:

- 1. An individual is scheduled to complete their 10-day proof of performance (POP) on August 28 (the second to the last working day of the month). At 4:00 p.m. on August 28, the JOBS coordinator calls to inform the county that the client successfully completed their 10-day POP that day. Because the client fully completed a 10-day POP prior to or on the second to the last working day of the month, a TANF benefit must be anticipated for the next month.
- 2. An individual is scheduled to complete their 10-day POP on August 29, (the last working day of the month). Because the client has not fully completed a 10-day POP prior to or on the second to the last working day of the month, and the client may not be successful in completing the 10-day POP, a TANF benefit must not be anticipated for the next month.
- 3. An individual begins their 10-day POP on August 29, (the last working day of the month). Even though JOBS policy allows a client's TANF case to be reverted to open if they successfully complete a 10-day POP that started in the sanction penalty month, a TANF benefit must not be anticipated for the next month.

If an individual is sanctioned by TANF, the TANF grant prior to the reduction is counted in calculating the food stamp benefits.

Example:

Mom is sanctioned for non-compliance with a JOBS requirement. Mom's needs are removed from the grant and the grant is reduced from \$500 to \$400. When calculating food stamp level of benefits, a disqualification is imposed and the grant amount of \$500 is counted as unearned income.

An individual disqualified from the Food Stamp program for failure to comply with TANF or UIB can regain eligibility during the disqualification period if they comply with the TANF or UIB requirements or become exempt.

Examples:

- 1. Ongoing TANF only case. Mom fails to comply with JOBS and is sanctioned for TANF effective December. January 3 the household applies for FS. Mom remains sanctioned for TANF. There is NO TANF related disqualification for FS because Mom was not in receipt of FS at the time the TANF sanction was imposed. Mom is subject to the FS work requirements as her needs are NOT included in the TANF grant due to the sanction. Mom must register for work unless otherwise exempt.
- 2. Ongoing TANF only case. In November Mom fails to comply with JOBS and is sanctioned for TANF effective December.

 December 23 the household applies for FS. There is NO TANF related disqualification for FS because Mom was not in receipt of FS at the time the TANF sanction was imposed. Mom is subject to the FS work requirements as her needs are NOT included in the TANF grant due to the sanction. Mom must register for work unless otherwise exempt.
- 3. Ongoing FS only case. Mom is work registered for FS. January 3 Mom applies for TANF and is eligible. Mom is now exempt from the work requirements. In February Mom fails to comply with JOBS. A sanction is imposed for TANF effective March. Mom is disqualified for FS effective March, as she does not meet any other work requirement exemptions. The TANF case closes effective March 31. The JOBS related disqualification continues for FS until Mom either becomes exempt from a FS work requirements or reapplies for TANF and complies with JOBS.

The FS case closes effective May 31 for failing to provide information. Mom reapplies for FS only on June 20. The JOBS related disqualification continues for FS until Mom either becomes exempt from a FS work requirement or reapplies for TANF and complies with JOBS.

4. Ongoing TANF/FS case. In December Mom fails to comply with JOBS and is sanctioned for TANF effective January. Mom is also disqualified for FS effective January, as she does not meet any of the exemptions from the work requirements.

On December 27 Mom requests in writing her FS case close effective December 31. TANF remains open. On January 3 Mom reapplies for FS. There is NO TANF related disqualification for FS because Mom was not in receipt of FS at the time the TANF sanction was imposed.

5. Ongoing TANF/FS case. In December Mom fails to comply with JOBS and is sanctioned for TANF effective January. Mom is also disqualified for FS effective January, as she does not meet any of the exemptions for the work requirements. On December 27 Mom requests in writing her TANF and FS case close effective December 31. On January 3 Mom reapplies for both FS and TANF. TANF imposes a TANF JOBS related disqualification. There is NO TANF related disqualification for FS because Mom was not in receipt of FS at the time the TANF sanction was imposed.

Notices Used for JOBS/Non-Compliance

The following TECS notices are used for combination TANF/Food Stamp cases where a food stamp disqualification is being imposed:

- Notice F230 JOBS Non-Compliance Food Stamp Denial
- Notice F426 JOBS Non-Compliance Food Stamp Closure this notice must be sent by the 10-day advance notice deadline.
- Notice F731 Decrease Benefit JOBS Non-Compliance this notice must be sent by the 10-day advance notice deadline.

BEST counties (Burleigh and Cass) must use the following notices when a food stamp disqualification is being imposed:

- Notice F225 BEST Non-compliance Denial, for households whose applications for recertification are denied for failure to comply with BEST requirements (denial/closure reason RW).
- Notice F425 BEST Advance Closing Notice for individuals or households disqualified for failure to comply with the BEST requirements.
- Notice F733 Decrease Benefit BEST Non-Compliance

The BEST notices must be sent to households as they are automatically counted and reported to United States Department of Agriculture (USDA).

LESSON: ABAWDS - Able-Bodied Adults Without Dependents



Purpose

Provide eligibility workers with the information necessary to determine if ABAWD provisions apply, exemptions are applicable and if the requirements are being met by the household.



eManual References

Able-bodied Adults Without Dependents	430-05-40-50
Exemptions from Work Requirements	430-05-40-50-05
Waivers	430-05-40-50-10
36 Month Time Frames	430-05-40-50-15
Three ABAWD Months	430-05-40-50-20
Extended Three Month Benefit Period	430-05-40-50-25
Exemptions	430-05-40-50-30
Regaining and Maintaining Eligibility	430-05-40-50-35
Certification Periods	430-05-40-50-40
ABAWD Claims	430-05-40-50-45



Policy

This is an additional program requirement for non-exempt able-bodied adults without dependents. An individual who is not ABAWD exempt is entitled to benefits for three months (consecutive or otherwise) during a 36 month period.

Any zero, prorated, or suspended benefit will not count as an ABAWD month.

Exception:

If a household receives a full month's benefit that after recoupment results in a zero benefit, the month counts as an ABAWD month.

Exemptions from Work Requirements

Exemption criteria is determined prospectively, the ABAWD months are determined on a prospective basis in the same manner that prospective eligibility is determined. An individual is exempt from the ABAWD work requirements if the individual meets one of the following exemptions. (TECS codes on the ABRE screen are listed.)

Verification of work hours is mandatory for items 6,7, and 8. In addition, an individual is required to report if their hours fall below 20 hours per week averaged monthly.

- 1. Exempt from the food stamp work requirements. (EX)
- 2. An individual is exempt through the month of their 18th birthday and becomes exempt the month they turn age 50 (TECS automatically exempts any individual under 18 or 50 and older with a code of NA).
- 3. All adult household members are exempt any time there is a child under the age of 18 in the same food stamp household. (EX)

Example:

A five-person food stamp household consists of mom, dad, child under the age of 18, an aunt to the child, and an unrelated adult. All four adults are exempt.

- 4. State 15% exemption criteria. (SP)
- 5. A pregnant woman. Client statement is acceptable. (PG)
- 6. Working at least 20 hours per week averaged monthly (regardless of the hourly wage). This includes volunteer and in-kind work where an individual is not paid. An individual working less than 30 hours per week must comply with the regular work requirements. (HR)

Volunteer work is when arrangements have been made with a school, hospital, public service agency, library, nursing home, church or other community organizations.

In-kind work is when an individual works in exchange for goods or services.

Example:

An individual managing an apartment building in exchange for free or reduced rent.

This does not include court ordered community service or work done for family members or friends when the individual is not paid.

If an individual was correctly determined eligible prospectively, and later in the month the job hours decreased to below 80 hours through no fault of the individual as long as the individual returns to the job, the month will not count as an ABAWD month.

Examples:

Illness, illness of another household member requiring the presence of the member, a household emergency, unavailability of transportation, weather, employer changing schedule.

- 7. Participating in (and complying with) a work program of 20 hours or more per week averaged monthly. Work program means:
 - a. A program under the Workforce Investment Act of 1998 (WIA), this is administered by Job Services and can be verified by contacting that office. This includes the WIA administered by the Tribes as long as it meets the 20 hour or more per week averaged monthly requirement. (JT)
 - b. A program under Section 236 of the Trade Act of 1974 (Trade Adjustment Assistance Act Program). This is administered by Job Services and can be verified by contacting that office. (TA)
 - c. A program of employment and training operated or supervised by a state or political subdivision of the state.

The BEST Program does not meet this definition because it is job search and job search training, not employment training. Currently, there are no approved programs in North Dakota.

- 8. Any combination of paid, volunteer, in-kind work, or work programs that equals 20 hours per week averaged monthly.
- 9. Participating in a Food Stamp Workfare Program (none in North Dakota).

Waivers

The Department of Human Services (DHS) may request the Secretary of Agriculture waive the ABAWD work requirement for any group of individuals that reside in an area in which the unemployment rate is over ten percent or does not have a sufficient number of jobs to provide employment for the individuals.

If a county desires a waiver of the ABAWD work requirement, documentation that there are not a sufficient number of jobs to provide employment for non-exempt individuals in the county should be forwarded to DHS for consideration and submission to the Secretary of Agriculture.

Waivers expired for Dunn, McKenzie, McLean, Mercer, Pembina, Sioux, and Williams counties on February 28, 1998 and were not renewed. The able-bodied provisions apply in the above seven counties effective March 1, 1998.

Sioux County became exempt from the able-bodied provisions again on April 1, 2001. Waivers for Sioux and Mountrail counties expired on April 30, 2003. Effective May 1, 2003, Sioux and Mountrail counties continue as exempt under the 15% exemption criteria.

Waivers of the able-bodied provisions remain in effect for Benson and Rolette.

The able-bodied provisions do not apply to an individual living in waivered or 15% exemption criteria counties and benefits received do not count toward the three ABAWD months.

The TECS system automatically bypasses the ABRE screen for any county where a waiver of the ABAWD provisions is currently in place. Individuals exempt under the 15% exemption criteria must be coded SP on the ABRE screen.

36 Month Time Frames

The 36 month time frame is established on a rolling calendar and is used for all non-exempt individuals.

36 Month Look Back Period

A worker must look back 36 months beginning with the month prior to the current month to determine if and when any ABAWD months were used.

Start Date

The 36-month rolling calendar begins for an individual with the first ABAWD month within the 36-month look back period. The 36-month rolling calendar progresses with each passing month and continues uninterrupted even while the individual is not participating.

Examples:

1. An individual applies on March 1, 2000 and is not exempt from the ABAWD provisions. The worker must look back from February 2000, 36 months (March 1997). The individual used the first ABAWD month in June 1997, therefore, June of 1997 starts the 36-month period (rolling clock). The 36-month period would end June 2000.

If June 1997 was the only ABAWD month used, the 36-month period ends June 30, 2000. The individual could be eligible for any two ABAWD months, March through June 2000.

If the individual received ABAWD months in June, July, August 1997, the 36-month period ends June 30, 2000. The individual is not eligible for additional ABAWD months until July 2000. The worker would explore possible eligibility for the extended three-month benefit period.

2. An individual applies March 1, 2000, and is not exempt from the ABAWD provisions. The individual received ABAWD months in June, September, and December 1997. The 36-month period starts June 1997 and ends June 30, 2000.

The individual has already received three ABAWD months and is not eligible. The worker would have to explore possible eligibility for the extended three-month benefit period.

If the individual is not eligible for the extended three-month benefit period, the application must be denied.

This individual would be eligible for July 2000 when June 1997 drops off. If the individual applied in July the application would be approved for July and closed as the individual is not eligible for August. (If July was prorated, could have August)

This individual would again be eligible for October 2000 when September 1997 drops off.

This individual would again be eligible for January 2001 when December 1997 drops off.

The individual has received three ABAWD months (July 2000, October 2000 and January 2001) for the new 36-month period from July 2000 to July 2003.

Three ABAWD Months

An individual who is not ABAWD exempt is entitled to benefits for three months (consecutive or otherwise) during a 36 month period. The 36-month period starts with the receipt of the first ABAWD month.

The worker must enter the code of NE (not exempt) on the ABRE screen in TECS for each of the three ABAWD months received.

The worker is not required to determine if an individual received ABAWD months in another state **unless** the worker becomes aware of a potential benefit history in another state. A worker may become aware of potential benefit history through the application, interview, or when contacting another state. If so, the worker must verify the benefit history with the previous state to determine if the applicant is eligible in North Dakota.

ABAWD months received in another state are countable months in North Dakota **using** the rolling 36-month period. These months cannot be entered into TECS and must be documented on the on-line narrative in TECS. (Set as "DI" and narrate that all 3 months were used in the other state.)

Any month that an individual is exempt from the ABAWD provisions and participates in the Food Stamp Program will not count toward the individual's three ABAWD months.

If during the three ABAWD months an individual becomes exempt and reports the exemption timely, the month the individual becomes exempt will not count as an ABAWD month.

Examples:

1. An individual applies and is not exempt from the ABAWD work requirements on November 1st. The individual is approved and certified through January. On January 5 the individual reports and verifies employment of 20 hours per week that started on December 20. The individual received their first paycheck on January 3. November is counted as an ABAWD month. December and January are exempt months as the individual reported timely.

- The worker must correct the ABRE screen in TECS for December and January.
- 2. In an ongoing case an individual reports and verifies work of 20 hours per week averaged monthly. When wage verifications are received it is learned that the individual did not work 20 hours per week averaged (due to illness, weather, not scheduled to work 20 hours for one week, etc.). If the individual is regularly scheduled to work an average of 20 hours per week, the individual is considered working an average of 20 hours per week and the month is an exempt ABAWD month.
- 3. An individual applies and is exempt from the ABAWD work requirements on November 1st as the individual is working 20 hours per week. The individual is approved and certified through January. On December 5 the individual reports and verifies November earnings. The number of hours worked is less than 20 hours per week averaged. If the individual is regularly scheduled to work an average of 20 hours per week, the individual is considered working an average of 20 hours per week and the month is an exempt ABAWD month. (Due to prospective budgeting)

If during the three ABAWD months an individual becomes exempt and does not report the exemption timely, the month counts as an ABAWD month.

Examples:

- 1. An individual applies and is not exempt from the ABAWD work requirements on November 1st. The individual is approved and certified through January. At the recertification interview on January 17, the individual reports and verifies employment of 20 hours per week that started on November 20. The individual received their first paycheck on December 15. November, December and January are counted as ABAWD months as the individual did not report the employment timely. There is no claim for the month of January based on 10-10-10.
- 2. An individual who is working and exempt from the ABAWD requirements is certified for three months. Sometime during the first or second month of the certification period the individual loses this job but does not report it until the recertification in month three. None of the three months are counted as ABAWD months as benefits for the three months were based on income from the job.

The individual is not entitled to underpayments. A claim may be required based on 10-10-10 due to the job quit.

Non-mandatory reportable changes do not affect ABAWD count months.

Example:

An individual is exempt from work requirements as physically unable to work. At the time of recertification, a doctor's statement is obtained as the incapacity is no longer evident to the worker. The doctor's statement indicates that the individual is not able to work for an additional six months. A six month certification period is assigned to the case, July through December.

At recertification the individual reports they were medically able to return to work in October but have not found employment. Since this is not a mandatory reportable change, months November and December do not count as ABAWD months and the worker would determine continuing eligibility.

If the individual had reported the change in September, the worker must send Notice F442 – Clarification of Reported Change along with the Work Requirement Affidavit, if needed, allowing the household 10 days to provide a completed form. If the household provides the completed form within the 10-day time frame and is not exempt from the ABAWD requirements and has not already used up the 3 ABAWD months, eligibility continues.

If the individual has already used the 3 ABAWD months and is not exempt from the ABAWD requirements, an advance notice must be sent to close the case as the individual is no longer eligible.

If the individual had returned to work this is a mandatory reportable change.

Extended Three Month Benefit Period

 Once an individual has received the three ABAWD months and is denied for failure to comply with the ABAWD work requirements or the individual failed to recertify, extended benefits may be granted for three full consecutive months if the individual: a. Did not voluntarily quit a job without good cause in the last 30 days and has worked 80 hours or more in any 30 consecutive day period. The individual need not be currently employed and the 80 hours includes volunteer and in-kind work.

Volunteer work is when arrangements have been made with a school, hospital, public service agency, library, nursing home, church, or other community organizations.

In-kind work is when an individual works in exchange for goods or services (e.g. working in exchange for free or reduced rent).

- b. Participated in and complied with the requirements of a work program for 80 hours or more in **any** 30 consecutive day period.
- c. Participated in and complies with the requirements of a Food Stamp Workfare Program (none in North Dakota).
- d. A 30-day period means **any** 30 consecutive days since the individual was denied for failure to comply with the ABAWD requirements or failed to recertify. It does not have to be a calendar month it may be a combination of two months. The employment rule of at least 80 hours in a 30-day period means the individual must have worked 80 hours in any 30-day period before eligibility may be reestablished.

The worker must enter the code of EE (exemption extension) on the ABRE screen in TECS.

Example:

An individual received the three ABAWD months in April, May and June and did not recertify. On August 16, the individual reapplies and verifies having worked 80 hours in 30 days and lost the employment through no fault of their own. This individual is eligible for the extended three-month benefit period, September, October, and November. August does not count as one of the three months due to proration.

2. Once an individual has received the three ABAWD months, and it has been determined that the individual quit a job without good cause, the individual does not qualify for the extended three month benefit period.

Example:

An individual received the three ABAWD months in April, May and June and during the month of June found employment. The individual failed to recertify for July. On August 15, the individual quit this job and reapplies for food stamp benefits. The individual did not have good cause and a voluntary quit penalty is applied. The job does not make this individual eligible for the extended three-month benefit period because the voluntary quit penalty must be applied.

If the individual would have applied for benefits October 1 (30 days or more after the job quit), the individual would qualify for the extended three month benefit period because the voluntary quit penalty no longer applies and the individual had 80 hours of employment in a 30 day period after receiving the initial three ABAWD months.

3. The extended three month benefit period can only be approved **once** in a 36-month period. The three months run consecutively. Once approved, the individual has received the extension **regardless** of whether they receive benefits for all three months. Case closings, disqualifications or zero benefits will not stop the three month count.

Example:

An individual received the three ABAWD months in April, May and June and did not recertify. On August 16, the individual reapplies and verifies having worked 80 hours in 30 days and lost the employment through no fault of their own. This individual is eligible for the extended three-month benefit period, September, October, and November.

On September 10 the individual provides a change report with attached verification of new employment and requests case closure September 30. Even though the individual is no longer receiving benefits, the extended three month benefit period continues through the month of November. This individual would not be eligible for an additional extended three-month benefit period during this individual's 36-month period.

Exemptions

During any of the three ABAWD months or after the three ABAWD months have been received, if an individual becomes exempt the ABAWD provisions no longer apply.

Examples:

- 1. Exempt from food stamp work requirements, turning age 50, physically or mentally unable to work, a dependent child enters the household or pregnancy.
- 2. An individual received the three ABAWD months in January, February and March. On March 18, the individual comes in to be recertified and reports employment of 20 hours per week that started on February 2. The individual received their first paycheck on February 16.

The recertification application should be approved if verification is obtained supporting that the individual is working 20 hours per week averaged.

Because the individual failed to timely report the employment February and March remain ABAWD count months and the worker must use 10-10-10 provisions to determine whether or not there is a claim.

Regaining and Maintaining Eligibility

Regaining eligibility applies to individuals who have received the three ABAWD months and were denied for failure to comply with the ABAWD work requirements (including failure to recertify). The individual must then work 80 hours in a 30-day period to regain eligibility. If an individual reapplies prior to the completion of working 80 hours in a 30-day period, benefits are prorated from the date the 80 hours are completed. There is no limit to the number of times an individual may regain eligibility.

After an individual has regained eligibility, the individual must also meet the work requirements to maintain eligibility.

Certification Periods

A household containing an individual who is not exempt from the ABAWD provisions must be assigned a maximum certification period based on the remaining eligible ABAWD months or the extended three month benefit period.

ABAWD Claims

When a claim is established against an individual, the month(s) that were issued in error count as ABAWD months. Once the claim has been repaid, the month(s) must not be considered a countable month. (Worker must go back and change to exempt.)

EXERCISE: One - Work Requirements ABAWDS - True or False



- Any zero, prorated, or suspended benefit will not count as an ABAWD month.
 or F ?
- 2. Individuals under age 18 and age 50 or older are exempt from the ABAWD requirements T or F?.
- 3. The ABAWD provisions apply to an individual living in a waivered or 15% exemption criteria county. T or F?
- 4. An individual who is not ABAWD exempt is entitled to benefits for three months during a 36 month period. To F?
- 5. If an individual is not exempt from the ABAWD provision, the worker must enter the code of NE on the ABRE screen. T or F?
- 6. If an individual has used the 3 ABAWD months and is not exempt from the ABAWD requirements, a 10 day advance notice is not required to close the case or remove the individual's needs from the case. T or F ?
- 7. If an individual has used their 3 ABAWD months they may be granted extended benefits for three full consecutive months (EE) if they worked 80 hours or more in any 30 consecutive day period. Tor F?
- 8. If an ABAWD is employed they must work an average of 20 hours per week averaged monthly. Tor F?
- 9. A household containing an individual who is not exempt from the ABAWD provisions can be certified for up to 12 months. T or F?—it is based on remaining eligible ABAWD or EE months.
- 10. If an individual becomes exempt during or after receipt of the ABAWD months the ABAWD provisions no longer apply. Tor F?

LESSON: BEST Basic Employment Skills Training Program



Purpose

Provide eligibility workers with the information necessary to identify and refer clients to the BEST program.



eManual References

Basic Employment Skills Training Program	430-05-40-55
Mandatory Participants	430-05-40-55-05
Exemptions from BEST	430-05-40-55-10
Voluntary Participants	430-05-40-55-15
County Procedures	430-05-40-55-20
Workshop Coordinator Responsibilities	430-05-40-55-25
Participant Responsibilities	430-05-40-55-30
Participant Reimbursement	430-05-40-55-35
Conciliation Procedure	430-05-40-55-40
Disqualification Time Frames for BEST	430-05-40-55-45



Policy

The Food Stamp Basic Employment Skills Training (BEST) Program is intended to expose participating individuals to job seeking and retention skills. It is operational in Burleigh and Cass counties.

Mandatory Participants

Mandatory work registrants who do not meet the BEST exemption criteria are mandatory participants for the BEST program.

Exemptions from BEST

The following individuals are not required to participate in BEST (TECS coding on the WORE screen is listed):

- 1. Individuals who do not live in any of the operational counties.
- 2. Individuals exempt from work registration. (EX)
- 3. Migrants in the job stream. (GE)
- 4. Individuals who do not have adequate transportation to the Employment Communication Workshop site. (LT)
- 5. Individuals who lack adequate child care, as determined by the worker, for children between the ages of six and 12. (CC)
- 6. Individuals exempt for good cause as determined by sound, professional judgment of the worker. (GC)

Exemption reasons four through six must be reviewed at least every three months.

Voluntary Participants

Individuals exempt from the BEST requirements may participate in BEST on a voluntary basis. Voluntary participants are not subject to the work disqualification.

County Procedures

The workers must carry out the following procedures:

- Determine if the work registrant is required to participate in BEST.
- If the work registrant is exempt, enter the exemption reason code and date exempted on TECS screen WORE. Exemption reasons four through six must be reviewed at least every three months.
- If the work registrant is not exempt, refer them to the Employment Communication orientation session using Form SFN 679, "Employment Communication Orientation Referral," Date, time and place of orientation sessions can be obtained from the local Workshop Coordinator.
- Inform the Workshop Coordinator of the referral by sending them a copy of the completed Form SFN 679, "Employment

Communication Orientation Referral," that was given to the participant.

 If notified by the Workshop Coordinator that an individual has failed to comply with BEST participant responsibilities begin conciliation procedures.

Workshop Coordinator Responsibilities

The local Employment Communication Workshop Coordinator must:

- Conduct orientation sessions, Employment Communication Workshops and Network Center.
- Inform the worker of participant non-compliance.
- Inform the worker when a participant gains employment. (There is no number of hours requirement.)
- Inform the State Office of days of attendance of participants.
- Inform the State Office of numbers of individuals who begin the Employment Communication Workshops.
- Inform the State Office of numbers of individuals who gain employment.

Participant Responsibilities

BEST participants must do the following:

- Attend the Employment Communication Orientation session assigned.
- Contact the coordinator to reschedule if necessary.
- If selected, attend the Employment Communication Workshop.
- Participate in Network Center for a minimum of five days.
- Cooperate and comply with the Network Center Coordinator.

Participants failing to meet these responsibilities will be subject to Program disqualification.

Participant Reimbursement

BEST Program mandatory and voluntary participants are reimbursed as follows:

- Flat rate of five dollars per day for transportation and other costs directly related to participation in BEST, up to a maximum of \$25 per month.
- A maximum of \$200 per dependent per month for each child under two, and \$175 per month for each other dependent.

Reimbursements are excluded as income.

Reimbursements will be made by the State Office in TECS directly to participating individuals during the month following participation. For dependent care reimbursement SFN 132 – Best Dependent Care Reimbursement must be sent to the State Office by the worker certifying the client as eligible for the dependent care reimbursement.

If participation in a BEST component would result in dependent care expenses in excess of the dependent care reimbursement amount, the individual is deferred from participation in BEST.

Conciliation Procedure

The conciliation period is used to determine if the mandatory BEST participant had good cause for not complying and to provide that individual with an opportunity to comply.

The conciliation period begins with the day following the date the worker learns of the noncompliance and continues for 30 calendar days. The worker must contact the non-complying household member to determine whether good cause exists. The worker may contact the household by using F803 – BEST Non-Compliance Conciliation Notice, by telephone, or face-to-face. If the contact is done by telephone or face-to-face, the worker must inform and document in the case file what the individual must do to comply and the date by which the individual must comply in order to avoid case closure.

If the individual responds within the 30-day period and it is determined that good cause does not exist (and the household member does not comply), begin disqualification procedures by issuing Notice F425 – BEST Advance Closing Notice. Be sure to enter the reason for noncompliance in the space provided on Notice F425.

To avoid Notice of Adverse Action (issuance of Notice F425), the individual must perform a verifiable act of compliance, such as attending the orientation session, Employment Communication Workshop, or Network Center. Verbal commitment by the individual is not sufficient, unless the individual is prevented from immediately complying by circumstances beyond the household member's control, such as the availability of a suitable component.

If it is apparent that the individual will not comply (i.e., the individual refuses to comply and does not have good cause), issue Notice F425.

If Notice F425 is issued before the end of the 30-day conciliation period and it is verified that the individual complied, the notice should be canceled.

If the individual does not respond within the 30-day period, issue Notice F425 at the end of the 30-day period. Be sure to enter the reason for noncompliance in the space provided on Notice F425.

Disqualification Time Frames for BEST

The following disqualification time frames apply for failure to comply with BEST. Before disqualifications are applied to BEST participants, the conciliation period must be followed. The disqualification must be entered on the WORS screen in TECS.

1. First Violation:

A one-month disqualification must be served (from the date the disqualification becomes effective). The disqualification continues until the individual complies with the BEST requirements for which the disqualification was imposed or becomes exempt.

2. <u>Second Violation</u>:

A three-month disqualification must be served (from the date the disqualification becomes effective) and continues until the individual complies with the BEST requirements for which the disqualification was imposed. If the individual becomes exempt during the disqualification period eligibility must be reestablished.

3. Third Violation:

A six-month disqualification must be served (from the date the disqualification becomes effective). The disqualification continues until the individual complies with the BEST requirements for which the disqualification was imposed or becomes exempt. If the individual

becomes exempt during the disqualification period eligibility must be reestablished.

If the individual complies with the BEST requirement for which the disqualification was imposed, the individual can be eligible after the disqualification time frame has been served.

If the individual becomes exempt during the disqualification time frame, the disqualification time frame must be ended and the individual can be eligible.

MODULE: ASSETS – 430-05-45



Objective

Provide eligibility workers with the information necessary to correctly determine what assets are counted in determining the total countable asset limit for the household.



Module Time

Approximate Time

95 Minutes

Notes

LESSON: Assets



Purpose

Define and explain asset policy.



eManual References

Types of Assets	430-05-45-05
Vehicles	430-05-45-10
Unlicensed Vehicles	430-05-45-10-05
Licensed Vehicles	430-05-45-10-10
Jointly Owned Vehicles	430-05-45-10-15
Excluded Vehicles	430-05-45-10-20
Determining Fair Market Value	430-05-45-10-25
Determining Equity Value	430-05-45-10-30
Fair Market Value Versus Equity Value	430-05-45-10-35
Determining Food Stamp Vehicle Value	430-05-45-10-40
Jointly Owned Assets	430-05-45-15
Availability of an Unknown Asset	430-05-45-20
Asset Limits	430-05-45-25
Life Estates and Remainder Interest	430-05-45-30



Policy

In determining the assets of a household, the following must be included and documented in detail.

Assets of a categorically eligible household are **not** counted but must be documented and verified if questionable.

Liquid Assets

Types of liquid assets include but are not limited to the following:

• Cash on hand.

- Money in checking or savings accounts.
- Stocks or bonds.
- Lump sum payments (counted as assets in the month in which they are received unless excluded by Federal law).
- Individual retirement accounts (IRAs).
- Keogh plans which do not involve the household member in a contractual relationship with individuals who are not household members.
- Simplified Employer Pension Plans (SEPs)

To arrive at the countable cash value for any account or plan that applies penalties for early withdrawals, subtract the amount of the penalty (if any) from the value of the account or plan.

If the account or plan has been used as collateral or if a lien has been placed on the account or plan, only the equity value available is counted.

Money in a checking or savings account must **not** be counted as income and as an asset in the same month. Workers must exclude any current month's income deposited in a checking or savings account.

If a check has been written and sent to the payee, even if it has not yet been cashed, the money is not available for other purposes and is deducted from the account balance. The check register is used as verification of outstanding checks.

Non-Liquid Assets

Types of non-liquid assets include but are not limited to the following:

- Personal property
- Licensed and unlicensed vehicles
- Buildings
- Land
- Recreational properties

The value of non-exempt assets (except for licensed vehicles used for income producing purposes) is the equity value. The equity value is the fair market value less the amount owed.

Vehicles

Unlicensed Vehicles

Unlicensed vehicles are those vehicles that are not currently licensed by the Department of Motor Vehicle or Tribal Motor Vehicle.

Exception:

Unlicensed vehicles on an Indian Reservation that does not require tribal members to license vehicles are treated as licensed vehicles.

Unlicensed vehicles not on an Indian Reservation or unlicensed vehicles on an Indian Reservation that requires tribal members to license vehicles are listed on the VEHI screen using the code "UV" with NO TECS exclusion code under the EXT T/P column. The equity value test applies to these unlicensed vehicles.

Licensed Vehicles

Licensed vehicles are vehicles licensed by the Department of Motor Vehicle or Tribal Motor Vehicle. To determine the value of licensed vehicles applied to the asset limit, the following procedures must be used. Licensed vehicles are listed on the VEHI screen in TECS.

Jointly Owned Vehicles

Jointly owned vehicles are considered available in their entirety to a household.

Exception:

Jointly owned vehicles are excluded from countable assets if:

- They are jointly owned by a household member and a nonhousehold member who does not live with the household, <u>and</u>
- The vehicle is unavailable to the household member because the household member does not have possession or use of the vehicle, and
- The household is unable to sell the vehicle (e.g., the signature of the co-owner is needed, and they will not sign).

Excluded Vehicles

The worker must first determine if a vehicle is excluded. When a vehicle is excluded, neither the fair market value nor the equity value is applied.

Unlicensed vehicles on an Indian Reservation that does not require tribal members to license vehicles are treated as licensed vehicles. They must be coded as UV on the VEHI screen with the appropriate TECS exclusion code under the EXT T/P column.

The **entire** value of any **licensed** vehicle will be excluded only if the vehicle is (the appropriate TECS codes on the VEHI screen under the EXT T/P column are listed):

1. Used for income producing purposes such as but not limited to a taxi, truck, a fishing boat, a vehicle used for deliveries, to call on clients or customers, or required by employment. (PI)

Exception:

Vehicles are not excluded if they are used only for commuting to and from work.

2. The household is legally prohibited from selling the vehicle for whatever reason – these vehicles are not entered into TECS.

Examples:

Court injunction or probate.

3. Necessary for long distance travel (other than commuting) that is essential to the employment of a household member (including an ineligible alien or disqualified individual). These types of vehicles include, the vehicle of a traveling sales person (PI) or migrant farm worker following the migrant stream. (MT)

Exclusions one and three above also apply when the vehicle is not in use because of temporary unemployment.

- 4. Used as the household's home. (HO)
- 5. Necessary to transport a **physically** disabled household member who meets the definition of "disabled" (including an ineligible alien or disqualified individual) regardless of the purpose of such transportation. This exclusion is limited to one vehicle per physically disabled household member. The vehicle need not have

special equipment or be used primarily by the **physically** disabled household member. (TR)

The individual must meet the food stamp definition of disabled and the disability must be based on a **physical** disability.

- 6. Leased vehicle is not entered into TECS as is not owned by the household.
- 7. Necessary to carry the primary source of fuel for heating or water for home use. (WF)
- 8. A vehicle is excluded as inaccessible if as a practical matter the household is unable to sell the vehicle because the sale is unlikely to produce an estimated return of not more than \$1500. (IA)

Examples:

- 1. A household is making payments on a 1994 sedan with a fair market value of \$7,000. The household has no other vehicles. The excess fair market value (\$2,350) would make the household ineligible. In this instance, the worker must determine if the vehicle is inaccessible. If the household were to net anything less than \$1,500 on the vehicle if sold, the entire value of the vehicle is excluded as an inaccessible vehicle.
- 2. A household has one vehicle that is not otherwise excludable with a fair market value of \$6,200. The countable fair market value is \$1,550. If the household has no other countable assets that combined with other countable assets exceeds the applicable asset limit for the household, the household would remain eligible for participation. In this example, the inaccessible vehicle provision was not needed to exclude the vehicle.

Fair Market Value

If a vehicle is **not** an excluded vehicle, the worker must then determine the fair market value. The fair market value of licensed vehicles is the **average trade-in value without using any listed add-ons or deductions**. All vehicles receive the \$4,650 exclusion.

The portion of the fair market value exceeding \$4,650 or the equity value is counted toward the household asset limit. When the excess fair market value is applied, the amount owing on the vehicle is not considered. In this instance, the equity value is not used.

One of the following is used to determine the fair market value:

- NADA Official Used Car Guide not older than six months the NADA web site cannot be used because it does not contain the average trade-in value.
- www.edmunds.com
- www.kbb.com (Kelly Blue Book)

The worker must print out a hard copy of the information from the web site for case file documentation.

A household may indicate that for some reason, such as body damage or inoperability, a vehicle is in less than average condition. In this instance, the household should be given an opportunity to obtain verification of the trade-in value from a reliable source. Households must provide verification of the value of antique, custom made, or classic vehicles. Special equipment for the handicapped will not increase the value of a vehicle.

If a vehicle is no longer listed in the NADA Official Used Car Guide, or on the above listed web sites, the household's estimate of vehicle value should be accepted unless the worker has reason to believe that the estimate is incorrect. If it appears that the vehicle's value will result in ineligibility, the household may obtain an appraisal or produce other evidence of value.

If a vehicle is not yet listed in the NADA Official Used Car Guide, or on the above listed web sites, the household must obtain verification of the trade-in value by contacting a car dealer who sells that make of vehicle.

The fair market value of two or more vehicles must not be added together to reach a total fair market value in excess of \$4,650.

Example:

The household consists of a single individual who owns one vehicle with a fair market value of \$5,400 and a second vehicle with a fair market value of \$4,800. The equity value of the second vehicle is \$100. The amount applied to the household asset limit is \$750 (\$5,400 - 4,650) plus \$150 (\$4,800 - 4,650).

Equity Value

The equity value is the fair market value less the amount owed. The excess fair market value (the value over \$4,650) **is count**ed and the equity value **is not** counted for the following partially exempt vehicles (the appropriate TECS codes on the VEHI screen under the EXT T/P column are listed):

- 1. One licensed vehicle per adult household member (or an ineligible alien or disqualified household member whose resources are being considered available to the household), regardless of use. (AM)
- 2. Any other vehicle a household member under the age of 18 (or an ineligible alien or disqualified household member under age 18) uses to commute to:
 - a. Employment. (WS)
 - b. Training or education which is preparatory to employment, including high school education. (WS)
 - c. Seeking employment in compliance with job search. (LW)

This equity exclusion applies during temporary periods of unemployment to a vehicle which a household member under the age of 18 drives to commute to and from employment.

TECS excludes \$4,650 from vehicles with exemption codes and these vehicles are then exempt from the equity test. Only the excess fair market value is counted.

Fair Market Value Versus Equity Value

When a vehicle is assigned both a fair market value in excess of \$4,650 and an equity value, only the greater of the two amounts is counted as an asset. If a non-exempt vehicle has no excess fair market value, then only the equity value is counted.

First the system will apply \$4,650 to all vehicles that are not coded as totally excluded vehicles.

The system looks for all vehicles that are coded with partial exemptions and applies any excess over \$4,650 to the asset limit. The equity value does not apply to partially exempt vehicles.

Examples:

1. Household consists of a single individual who owns three vehicles.

Vehicle A:\$5,600 Fair Market Value (AM)

-4,650 (\$1,000 equity value)

\$ 950 Excess Fair Market Value

Vehicle B: \$4,900 Fair Market Value

-4,650 (\$200 equity value)

\$ 250 Excess Fair Market Value

Vehicle C:\$4,750 Fair Market Value

-4,650 (\$400 equity value)

\$ 100 Excess Fair Market Value

Vehicle A has a partial exemption code of (AM) and \$950 is applied toward the household asset limit. The \$1,000 equity value does not apply to this vehicle.

The system will compare Vehicle B's excess fair market value of \$250 and the equity value of \$200 and apply the greater of the two to the asset limit (\$250).

The system will compare Vehicle C's excess fair market value of \$100 and the equity value of \$400 and apply the greater of the two to the asset limit (\$400).

The system will apply \$1,600 to the asset limit as follows: \$950 for Vehicle A, \$250 for Vehicle B, and \$400 for Vehicle C.

2. Household consists of a single parent with two small children. The household is receiving TANF and has two vehicles.

Vehicle A:\$10,000	Fair Market Value
- 4,650	(\$900 equity value)
\$ 5,350	Excess Fair Market Value
Vehicle B:\$ 4,900 - 4,650	Fair Market Value (\$1,000 equity value)
\$ 250	Excess Fair Market Value

As this household is in receipt of TANF, the household is exempt from the asset test.

If this were not a categorically eligible household, the system applies the excess fair market value of \$5,350 to the asset limit from Vehicle A. The system will compare Vehicle B's excess fair market value of \$250 and the equity value of \$1,000 and apply the greater of the two to the asset limit (\$1,000).

The system applies \$6,350 to the asset limit as follows: \$5,350 for Vehicle A and \$1,000 for Vehicle B. This case would not be eligible based on excess assets.

Determining Food Stamp Vehicle Value

When determining a vehicle's value that will be applied to the countable asset limit, start with the first step. If the vehicle does not meet any of the definitions in the first step, go to the second, etc.:

1st Test: 430-05-45-10-20 **EXCLUDED VEHICLES** - Vehicles are excluded from the asset limit:

Vehicle Definition	TECS
	<u>Code</u>
* Licensed vehicle is income-producing or required for employment	PI
* Licensed vehicle is necessary for long distance travel essential to	PI
employment (other than commuting)	
* Licensed vehicle used by a migrant to follow the job stream	MT
*Vehicle used as a home	НО
* Licensed vehicle used to transport physically disabled individual	TR
* Licensed vehicle used to carry primary source of heating fuel or	
water for home use	
* Licensed vehicle if sale unlikely to produce significant return	IA
(\$1500)	

*Includes unlicensed vehicles on a reservation that do not require members to license vehicles.

2nd Test: 430-05-45-10-40 **DETERMINING EQUITY VALUE** – Vehicle's fair market value above \$4650 is applied to the asset limit:

Vehicle Definition	
	<u>Code</u>
Licensed vehicle for each adult household member	AM
Licensed vehicle used by individual under age 18 for employment or	WS
training	
Licensed vehicle used by individual under age 18 for seeking	
employment in compliance with job search	

Use "F" only for something excluded termporarily.

3rd Test: 430-05-45-10-35 FAIR MARKET VALUE VERSUS EQUITY

VALUE— The greater of the fair market or equity value is applied to the asset limit:

Vehicle Definition	TECS Code
Licensed vehicle not excluded above	Uncoded



Discussion Questions

- The entire value of a vehicle used for income producing purposes is excluded.
 T or F ?
- 2. The entire value of a vehicle used only to commute to and from work is excluded. T or F?
- 3. The portion of the vehicle fair market value that exceeds the allowable \$4650 is called 'excess fair market value'. T or F?
- 4. Equity value of a partially exempt vehicle is not used when the vehicle has 'excess fair market value'. T or F?
- 5. The fair market value less the amount owed is called 'equity value'. T or F?
- 6. One licensed vehicle per adult member is not exempt if they are a disqualified member or an ineligible alien. T or F?
- 7. Equity value of the vehicle of a household member under the age of 18 is exempt if the vehicle is used to commute to employment, school or training or used in seeking employment.

 T or F? Look at excess fair market value only.
- 8. The vehicle used by a migrant to follow the job stream is totally excluded.

 T or F?
- 9. Only the equity value of an unlicensed vehicle is counted. \mathbf{T} or \mathbf{F} ?
- 10. Assets of a categorically eligible household are not counted but must be documented and verified if questionable **T** or F?



Policy

Jointly Owned Assets

Assets owned jointly by separate households must be considered available in their entirety to each household, unless it can be verified that these assets are inaccessible to the household.

If the household can verify that it has access to only a portion of the asset, only that portion is counted toward the household's asset limit.

A joint asset is not available to the household if it cannot be divided and access to the value is dependent on the agreement of a joint owner who refuses to comply.

If a household member is identified on an account signature card as an individual who can draw on the account of a non-household member and has no legal ownership of the funds in the account, the funds are not considered available and are excluded as an asset.

Examples:

- 1. A jointly owned account is not available if access to the account requires the signature of all joint owners and one of the joint owners refuses to sign. However, a joint account that does not require co-signatures would be considered available.
- 2. A mother adds her daughter's name to her savings account. This account required the daughter's signature on the signature card and consists solely of the mother's funds. The account was established so that if something happened to the mother, the daughter would have access to funds to pay the bills for her mother.

This account is not considered an asset for the daughter.

3. A daughter is listed on the signature card for dad's savings account. This account is not considered as an asset for the daughter.

If not questionable, the worker may accept client statement.

Availability of an Unknown Asset

If a household has an asset that they are unaware of, the asset is not considered available until it becomes known to the household.

Example:

A grandmother opens a savings account in her granddaughter's name. The granddaughter's parents apply for Food Stamps and at the time are unaware of the account. The worker receives an IEVS hit showing interest income for the granddaughter. The worker requests that the household verify the account.

Once the household becomes aware of the asset, it must be considered available from that time forward. There is no food stamp claim established for the time the asset was unknown to the household.

Asset Limits

Eligibility will be denied or terminated if the value of non-excluded assets exceeds the following:

- 1. \$3,000 for all households containing an elderly (age 60 or over) or disabled member.
- 2. \$2,000 for all other households.

Categorically eligible household members **do not** have to meet the asset limits.

Non-categorically eligible household members **must** meet the asset limits.

The household's assets at the time of the interview must be used in determining household eligibility. An application cannot be pended allowing the household the option of spending down assets. If a household is over the asset limit on the date of interview, the application must be denied.

Life Estates and Remainder Interest

Life estates are excluded and are not counted as an asset. If an individual has a remainder interest in a life estate, the individual must contact a local real estate agent/company. The real estate agent/company must establish if the remainder interest can be sold (is there a willing buyer).

If there is no willing buyer, the remainder interest has no cash value and is not counted as an asset. If there is a willing buyer then the real estate agent/company

must establish the fair market value and the remainder interest is a countable asset.

The Food Stamp Program does not follow TANF or Medicaid policy regarding life estates.

Notes

EXERCISE: One - Assets - True or False?



- 1. The entire value of a vehicle used for income producing purposes is excluded. T or F?
- 2. The entire value of a vehicle used only to commute to and from work is excluded. T or F?
- 3. The portion of the vehicle fair market value that exceeds the allowable \$4650 is called 'excess fair market value'. T or F?
- 4. Equity value of the vehicle is not used when the vehicle has 'excess fair market value'. T or F?
- 5. The fair market value less the amount owed is called 'equity value'. T or F?
- 6. One licensed vehicle per adult member is not exempt if they are a disqualified member or an ineligible alien. T or F?
- 7. Equity value of the vehicle of a household member under the age of 18 is exempt if the vehicle is used to commute to employment, school or training or used in seeking employment. Tor F?
- 8. The vehicle used by a migrant to follow the job stream is totally excluded.

 T or F?
- 9. Only the equity value of an unlicensed vehicle is counted. T or F?
- 10. Assets of a categorically eligible household are not counted but must be documented and verified if questionable **T** or F?

EXERCISE: One - Assets - Determining Value



Determine the countable vehicle value in the following scenarios and the correct exemption code.

1. Household consists of mom and 17-year-old daughter. Mom is employed and daughter is in high school.

Mom's car:

Exempt code: <u>AM</u>

\$6000 Fair market value – she owes \$4000 (\$2000 equity)

<u>\$4650</u>

\$1350 Excess fair market value counted toward the

asset limit

Equity value does not apply to partially exempt vehicle if there is excess fair market value.

Daughter's car:

Exempt code: _WS__

\$4500 Fair market value – she owes \$0 (\$4500 equity)

\$4650

\$ 0 Excess Fair Market Value

\$4500 Equity value

\$0 is applied toward the asset limit

There is no excess fair market value and equity exemption applies.

Worker might also pursue "IA" inaccessibility if it is determined the household would net less than \$1500 from the sale of the car.

2. Household consists of single parent and three children under 18 years of age.

Mom's car

Exempt code AM

\$12000 Fair market value – she owes \$8000 (\$4000 equity)

\$ 4650

\$ 7350 Excess fair market value – applied to the asset

limit.

Worker might also pursue "IA" inaccessibility if it is determined the household would net less than \$1500 from the sale of the car.

3. Household consists of a married couple. Mrs. is self-employed in Tupperware sales. Mr. is currently unemployed.

Mrs.'s car Exempt code PI

\$20000 Fair market value - \$19000 owed (\$1000 equity)

\$ 4650 \$15350

The vehicle value is excluded entirely as it is used to produce income from the Tupperware sales for Mrs.

Mr.'s car Exempt code AM

\$6000 Fair market value – Owes \$0 (\$6000 equity)

\$465<u>0</u>

\$1350 Excess fair market value applied to asset limit

Equity value does not apply to partially exempt vehicles if there is excess fair market value.

LESSON: Asset Exclusions



Purpose

Review and explain the various types of assets excluded by the Food Stamp Program.



eManual References

Asset Exclusions	430-05-45-35
Bankruptcy	430-05-45-40
Handling Excluded Funds	430-05-45-45
Verification of Questionable Assets for	
TANF Information and Referral Services	430-05-45-50
Disqualifying Transfer of Assets	430-05-45-55



Policy

The following assets are the only assets that are excluded for all household members including ineligible aliens and disqualified individuals.

1. The home and surrounding property that is not separated by property owned by others. Roads running through the property will not affect the property exemption.

The home and surrounding property remain exempt when temporarily unoccupied because of employment, training for future employment, illness, or uninhabitability caused by casualty or natural disaster, if the household intends to return.

Households not currently owning a home but who own or are purchasing property on which they intend to build or are building a permanent home, receive an exclusion for that value.

- 2. Household or personal goods (i.e. furniture, appliances, jewelry, clothing, antiques, collections, etc.).
- 3. The cash value of life insurance policies.
- 4. The cash value of pension plans or funds that involve a contractual agreement with non-household members regardless of whether the person is currently employed.

Examples:

- 1. State Retirement, Teacher's Retirement, 457 plans, 401(k) plans, the Federal employee thrift savings plan, 403(b) plans, and 501(c)(18) plans.
- 2. The cash value of pension plans or funds which do not involve a contractual agreement with non-household members are counted. Some examples include Keogh plans and Individual Retirement Accounts (IRA's).
- 3. Contractual agreements normally refer to retirement plans with employers. If withdrawn, they become an available asset in the month received.
- 5. The value of one burial plot per household member.
- 6. One bona fide funeral agreement and one instrument, including interest accrued, per household member up to \$1500.

Example:

An individual established a funeral agreement some years ago for \$1000. Interest to date on this agreement is \$600, making the agreement value \$1,600. \$1,500 is excluded and the remaining \$100 is counted towards the household asset limit.

A funeral agreement must be in the form of a written formal contract between a household member and the funeral home/director. Funds designated for burial services/merchandise must be identifiable, accessible to the household and not commingled with other funds.

This provision applies to only formal agreements for funeral and burial expenses such as burial contracts, burial trusts, or other funeral arrangements with licensed funeral directors and does not apply to other assets (e.g., passbook bank accounts, savings, and cash surrender value of life insurance policies).

Examples:

An individual designates \$2000 in a certificate of deposit (CD) payable on death to a funeral home and the bank retains the CD. Of the \$2000, \$1500 is excluded and \$500 is counted toward the asset limit. If this individual dissolves the agreement with the funeral home, the CD becomes a countable asset for food stamp purposes.

An individual sets up a savings account at a savings and loan in the amount of \$2000 and designates this money for funeral services. The savings and loan puts the money in a funeral trust account. Of the \$2000, \$1500 is excluded and \$500 is counted toward the household asset limit. If the individual dissolves the agreement with the funeral home, the account becomes a countable asset for food stamp purposes.

7. Real and personal property that is directly related to the maintenance or use of an excluded vehicle.

Example:

A household that owns a semi-truck to earn its livelihood may be prohibited from parking the semi-truck in the residential area in which it lives. The household owns a one-acre piece of property at the edge of town, only one-fourth of which is used for semi-truck parking and maintenance purposes. Only the value of the one-fourth acre would be excludable under this provision.

8. Governmental payments designated for restoration of a home damaged in a disaster where the household would be subject to a legal sanction for not using the funds as they are intended. These governmental payments are excluded.

Examples:

Housing and Urban Development (HUD) payments through the individual and family grant program and Small Business Administration (SBA) disaster loans or grants. 9. Assets having a cash value which are not accessible to the household.

Examples:

- Security deposits on rental property or utilities.
- Property in probate.
- Inheritances not yet received.
- Real property which the household is making a good faith effort to sell at a reasonable price and which has not been sold.

If questionable the worker must verify that the real property is for sale and that the household has not declined a reasonable offer. Verification could include collateral contact or documentation, such as an advertisement for public sale in a newspaper of general circulation or a listing with a real estate broker.

10. Any funds in a trust or transferred to a trust, and the income produced by that trust if it is not available to the household.

Please submit complete copies of all trust agreements to the Legal Advisory Unit of the Department of Human Services for review along with the following information:

- a. Who is applying for benefits and what benefits they are applying for.
- b. Verification of all asset(s) owned by the trust including the value of each asset, when the asset was transferred to the trust, and who transferred the asset to the trust.
- c. Any other documents or information that you think may be relevant.
- 11. Indian lands held jointly with the tribe, or land that can be sold only with the approval of the Bureau of Indian Affairs.
- 12. Any amount necessary for the fulfillment of a Plan for Achieving Self-Support (PASS) under Title XVI of the Social Security Act (SSI) is excluded.
- 13. An asset is excluded, if, as a practical matter, the household is unable to sell the asset for any significant return because the household's interest is

relatively slight or the costs of selling the household's interest would be relatively great.

Exception:

This provision does not apply to financial instruments such as stocks, bonds, and negotiable financial instruments.

Significant return means any return after estimating costs of sale or disposition and taking into account the ownership interest of the household that is more than \$1,500.

Any significant amount of funds means funds amounting to more than \$1,500.

Verification of the value of an excluded asset is required if the information provided by the household is questionable.

If property is owned jointly with non-household members, the asset in question is limited to the household's share of the jointly owned property. Ordinarily, a person may lawfully sell their share of jointly held property without the consent of co-owners.

If a household member states that consent of co-owners is required for a sale of the household member's share of jointly held property, the statement must be verified by documents that demonstrate both the co-owners' authority to prevent the sale and the co-owners' unwillingness to agree to the sale

- 14. There is also a partial listing of assets that are excluded by federal statute. Contact the Regional Representative if assistance is needed in determining whether an asset is excluded.
- 15. Assets that are excluded by express provision of federal statute for American Indians or Alaska Natives. Usually a law will specify payments to members of a tribe or band, and the law will apply to the members enrolled in the tribe or band wherever they live. The individuals should have documentation showing where the payments originate. These payments include, but are not limited to the following:
 - a. Indian per capita payments distributed from judgment awards and trust funds up to \$2,000 per person per payment. Amounts in excess of \$2,000 are considered a countable asset.
 - b. Interests of Indians in trust or restricted lands.

c. Up to \$2,000 per year of Individual Indian Monies (IIM) received by individual Indians that is derived from leases or other uses of individually owned trust or restricted lands.

Exception

The \$2000 exemption does not apply to inheritance, bonuses, and other income that is not derived from leases, trust or restricted land.

Client statement is acceptable verification of the amount in an IIM account unless:

- 1. The amount is more than \$2000 for the year;
- 2. The client's statement is questionable;
- 3. The IIM account includes countable income such as inheritance, bonuses, and other income that is not derived from leases, trust or restricted land.

Bankruptcy

Bankruptcy may or may not be relevant for food stamp purposes. The worker should get a statement from the bankruptcy trustee regarding accessibility of assets.

Handling Excluded Funds

Excluded funds that are kept in a separate account, and that are not commingled in an account with non-excluded funds, retain their asset exclusion for an unlimited period of time.

The excluded assets of self-employed households that have been prorated as income and commingled with non-excluded funds retain their exclusion for the period of time for which they have been prorated.

All other excluded monies that are commingled in an account with any other funds retain their exemption for six months from the date they are commingled. After six months from the date of commingling, all funds in the commingled account are counted as an asset.

Exception:

Excluded financial aid commingled with any other funds remains exempt for an unlimited period of time.

<u>Verification of Questionable Assets for TANF Information and Referral Services</u>

Households must provide verification of assets if questionable, in order to receive TANF Information and Referral Services. If assets are questionable based on sound judgment of the worker and the household fails or refuses to provide verification, the household is not eligible for TANF Information and Referral Services. As a result the household is not categorically eligible.

If a household is not categorically eligible, verification of questionable assets is required. The worker must send notice F240 – TANF Information and Referral Service Denial **and** notice F201 – Failure to Provide Information to the household.

Disqualifying Transfer of Assets

At the time of application, households must provide information regarding all assets which all household members (including ineligible aliens or disqualified individuals) transferred within the three-month period immediately preceding the month of application.

If a disqualified individual transferred assets for the purpose of qualifying or attempting to qualify for program benefits, the household is disqualified for up to one year from the date of discovery of the transfer.

This disqualification also applies if assets are transferred after the household has been determined eligible for benefits in order to prevent reaching the maximum asset limit.

For determining a disqualifying transfer, the burden of proof is the responsibility of the worker.

Permissible Transfers

Transfers of the following do not affect eligibility:

- 1. Excluded assets.
- 2. Any non-excluded assets that, when added to other countable assets, totals less at the time of transfer than the allowable asset limit.
- 3. Assets that are sold or traded at, or near, fair market value.

- 4. Assets transferred between members of the same household (including ineligible aliens, disqualified individuals and ineligible students).
- 5. Assets that are transferred for reasons other than qualifying or attempting to qualify for program benefits.

Example:

A parent placing funds into an educational trust fund.

6. Assets of individuals who are categorically eligible.

Action on Disqualifying Transfers

When a household has transferred assets for the purpose of qualifying or attempting to qualify for program benefits, a notice of denial must be sent explaining the reason for and length of disqualification.

A household that is participating at the time of discovery of the transfer must be sent a notice of adverse action explaining the reason for and length of disqualification.

Length of Disqualification

The period of disqualification begins with the month of application. For participating households, the disqualification period begins the first benefit month after notice of adverse action has expired, unless a fair hearing and continued benefits have been requested.

If a household member who owned and transferred the asset that caused the disqualification leaves the household, the disqualification ends. The remaining period of disqualification follows that individual if the individual becomes a member of another food stamp household.

Length of disqualification is as follows:

Amount in Excess of Asset Limit	Period of
	Disqualification
\$.00 thru \$ 249.99	1 month
\$ 250.00 thru \$ 999.99	3 months
\$1,000.00 thru \$2,999.99	6 months
\$3,000.00 thru \$4,999.00	9 months
\$5,000.00 or more	12 months

Example:

A two-person household with a disqualified individual who has \$1,750 in a bank account makes a disqualifying transfer of a vehicle with a fair market value of \$6,000. The first \$4,650 of the vehicle's value is exempt. The amount of the vehicle counted toward the asset limit is \$1,350. The household's asset limit is \$2,000. The bank account is \$1,750 which allows \$250 of the \$1,350 of the fair market value of the vehicle to meet the \$2,000 asset limit. The \$1,100 excess is used to determine the disqualification period of six months (\$6,000 less \$4,650 less \$250 = \$1,100).

Notes

MODULE: INCOME – 430-05-50



Objective

Provide eligibility workers with the information necessary to correctly determine what income is counted when calculating eligibility and level of benefits.



Module Time

Approximate Time

75 Minutes

Notes

LESSON: Income



Purpose

Define and explain income policy.



eManual References

Use of Gross Income Test Versus Net Income Test	430-05-50-05
Monthly Income Eligibility Standards	430-05-50-10
Gross Income Standards	430-05-50-10-05
Net Income Standards	430-05-50-10-10
Determining Income	430-05-50-15
Income During the Past Thirty Days	430-05-50-15-05
Income Anticipation	430-05-50-15-10
Households With a Decrease in TANF	430-05-50-15-15
Income Only in Month Received	430-05-50-15-20
Income Averaging	430-05-50-15-25
Contract Income	430-05-50-15-30
Earned vs. Unearned	430-05-50-15-35



Policy

Income is defined as all types of monies, regardless of the source. It is the responsibility of the worker to determine if the income is countable.

Gross Income Test Versus Net Income Test

Households that are not categorically eligible must first meet the gross income test, then the net test, for the appropriate household size.

Exception:

If a household contains an elderly or disabled individual who is not categorically eligible, the household only has to meet the net test.

Gross Income Standards:

The gross income eligibility standards are set by FNS and reflect 130% of the Federal income poverty level. (The gross income standards change October 1 of each year.)

Gross monthly income is arrived at by adding the total countable gross monthly earned income of all household members to the total countable monthly unearned income of all household members.

Net Income Standards:

The net income standards are set by FNS and reflect 100% of the Federal income poverty standards. (The net income standards change October 1 of each year.)

Net monthly income is arrived at by determining gross monthly income and then subtracting the following:

- 20% of earned income
- Standard deduction based on counting only eligible household members when determining household size as follows:

1.	1 through 4 person household	\$134.00
2.	5 person household	\$153.00
3.	6+ person household	\$175.00
	(These amounts change annually effective October 1)	

- Allowable medical expenses in excess of \$35.00 for elderly or disabled household members.
- Child-care and dependent care costs not to exceed \$200 per month for each child under age 2, \$175.00 per month for each other dependent.
- Child support paid.
- Shelter costs in excess of 50% of net adjusted income. Shelter costs cannot exceed \$388.00.

Exception:

Households containing one or more eligible elderly or disabled members are not subject to the shelter deduction maximum of \$388.00. Households in which the only elderly or disabled

members are excluded are subject to the shelter deduction maximum.

Determining Income:

Income received during the past 30 days must be used as an indication of income for the household's certification period unless:

- Changes have occurred, or
- Can be anticipated to occur.

If changes have occurred or are expected to occur, then income received in the past 30 days will **not** be used.

If a 30-day period alone does not provide an accurate anticipation of income, a longer period may be used if it will provide a more accurate indication of anticipated fluctuations in future income.

Anticipating Income:

Income already received or future income that can be reasonably anticipated will be taken into account at the time of certification. If the amount or receipt of income is uncertain, that portion of the household's income that is uncertain will not be counted. That portion which can be anticipated with reasonable certainty is counted as income.

In cases where the receipt of income is reasonably certain but the monthly amount may fluctuate, the household may elect to income average, if paid once or twice a month.

The worker must establish a history for a case when income is not received on a regular ongoing basis. History is defined as two months of known information. If a household has received income for two months, that income must be anticipated and counted prospectively.

Examples:

On-call and child support income received on an irregular basis.

Households must be informed to report all changes in the source of income or in the amount of income exceeding \$50.00 unearned or \$100.00 earned.

Exception:

TANF grant changes. (Known information)

Households With a Decrease in TANF

Food stamp benefits cannot be increased when a household's income is reduced because of a sanction and/or penalty imposed by TANF, if the sanction and/or penalty was imposed for a failure to perform a required action to improve the well being of a recipient family.

Examples:

- Failure to follow through with the Health Tracks Program.
- Failure to follow through with the Child Support Enforcement Unit.
- Failure to follow through with the JOBS Program.
- Failure to comply with TANF Work Requirements, including a job quit.
- Client claims for failure to comply with TANF.
- Fraud claims for failure to comply with TANF.

This provision does not apply to:

• Individuals who are sanctioned and/or penalized at the time the individual applies for TANF.

Example:

A household applies for TANF and food stamps. An individual in the household has a Health Tracks penalty in place at the time of application. The actual TANF grant is counted when calculating food stamp benefits.

- Individuals that were not certified for food stamps at the time of the sanction and/or penalty.
- Individuals who are unable to perform as opposed to refusing to perform a required action.
- Procedural requirements in TANF such as:
 - Filing a late monthly report.
 - Benefit capped children.

- When an individual reaches the time limit for benefits.
- Reworking first two pro-months for TANF if the household reported correct information.

If an individual in an ongoing TANF case <u>IS</u> certified for food stamps at the time a sanction and/or penalty is imposed in TANF for failure to perform a required action, the gross amount of the TANF grant is counted in calculating Food Stamp benefits.

If an individual in an ongoing TANF case <u>IS NOT</u> certified for food stamps at the time a sanction and/or penalty is imposed in TANF for a failure to perform a required action, later applies for food stamps, the actual TANF grant is counted in calculating food stamp benefits.

Example:

An ongoing TANF household applies for food stamp benefits. An individual in the household has a JOBS sanction.

If the individual was certified for food stamp benefits at the time the sanction was imposed, the gross amount of the grant is counted.

If the individual was not certified for food stamps at the time the sanction was imposed, the actual amount of the grant is counted.

If an individual with a sanction and/or penalty (who was certified for food stamps at the time the sanction and/or penalty was imposed) moves into a new household, the gross TANF grant is counted in calculating food stamp benefits for the gaining household as long as there was no break in the individual's TANF benefits.

If the individual moves here from another state and had a sanction and/or penalty in place in the other state, the ban on increasing benefits must not be applied.

When it is determined that the gross amount of the TANF grant must be used in calculating Food Stamp benefits, the gross amount is used each month until the county becomes aware that the individual is ineligible for TANF.

If it is determined at a later date that the reduction was incorrect (the fault of the county or an IPV was reversed), underpayment(s) must be completed and issued to the household.

Calculating Benefits Due to a Decrease in Income from TANF

The procedures for determining food stamp benefits when there is such a decrease in income are:

- 1. Identify that portion of the decrease that is attributable to the sanction and/or penalty or to the repayment of benefits overissued as a result of the household's failure to comply.
- 2. Calculate food stamp benefits using the benefit amount that would have been issued by the program as if no sanction and/or penalty or overpayment had been deducted from the client's income.

Example:

An ongoing food stamp/TANF case fails to perform a required TANF action and is sanctioned. The gross amount of the TANF benefit must be counted as income for the ongoing food stamp case.

Income Only in Month Received

Actual anticipated income during the certification period must be counted only during the month it is **normally** received, unless income averaging is used.

Households receiving income on a recurring basis will not have their monthly income varied merely because of changes in mailing cycles or pay dates or because weekends or holidays cause additional payments to be received in a month.

Example:

An employer may issue checks early because the normal payday falls on a weekend or a holiday. Income will be counted in the month it would normally be received, rather than the month it is actually received.

For households in receipt of a state or federal assistance payment such as TANF, General Assistance (GA), SSI, or Social Security payments, on a recurring basis, payment is considered as having been received once a month, even if mailing cycles may cause two payments to be mailed in one month and none in another month.

Wages held at the request of the employee must be considered income in the month in which they would otherwise have been paid by the employer.

Wages held by the employer as a general practice, even if in violation of law, will not be counted as income to the household until actually received.

For households initially **approved for** both food stamps benefits and TANF at the same time, the initial TANF grant must be considered when prospectively determining the initial month of food stamp eligibility and benefits if it can be reasonably anticipated during the initial month.

The initial TANF grant must be anticipated for the initial month of food stamp eligibility if authorization of initial month's TANF benefit is made prior to the last five working days of the month.

Example:

A household applies for both TANF and food stamps on May 20, and is authorized for initial month's TANF benefit in the amount of \$300 on May 30. The initial TANF grant of \$300 cannot be anticipated for May because TANF authorization was not completed prior to the last five working days of May. Therefore, the May TANF grant is not used to determine initial May food stamps.

If TANF authorization is completed on May 26, instead of May 30, the \$300 initial TANF grant is used as anticipated income for May.

Income Averaging

A household may elect to have their income averaged if they are paid once or twice a month.

Exception:

Destitute households and TANF households subject to monthly reporting requirements.

A household cannot elect income averaging if they are paid weekly or bi-weekly. The number of months used to arrive at the average income need not be the same as the number of months in the certification period.

Example:

If fluctuating income for the past 30 days and the month of application are known, and are representative of income fluctuations anticipated for coming months, the income from the two known

months may be averaged and projected over a certification period of longer than two months.

Contract Income

Individuals who receive contract income that is renewed on a yearly basis or is intended as their annual income must have this income averaged over a 12-month period. These individuals may include school employees (such as teachers, cooks, bus drivers, and janitors), share croppers, etc.

A contract for income must be written or implied and the salary amount identified in the contract must be for a set dollar amount, not an hourly or piece meal basis. Additionally, the salary must be paid based on the set dollar amount, not paid by how many hours were worked or the amount of work that was completed.

If the contract indicates an hourly wage and the employer verifies the contract is for a predetermined total salary amount, the income is considered contract income. If the contract indicates a predetermined total salary amount, but the individual is paid based on the number of hours worked or the amount of work that was completed, it is not contract income and is treated as normal earned income.

Example:

John signed a contract for 9 months as a school janitor and the contract states he will receive \$9000 in monthly installments. John states the income is intended for his annual support:

If John is paid \$1000 every month regardless of the hours he works, it is a true contract situation and we would budget \$9000 by 12 months = \$750 monthly.

However, if John's monthly wages vary by the number of hours he works per month, it is not a true contract because John is being paid by the hour, not by the contract amount. (For example, one month his wage shows 160 hours x \$6.25 per hour and 20 hours x \$9.38 overtime, and the next month shows 100 hours x \$6.25, and the pay is equal to the hourly rate.) John's income would be budgeted as received in this situation, not annualized or averaged over the period of the contract.

Contract income that is intended for the individual's annual income must be annualized over a 12-month period, even though predetermined non-work periods are involved or actual compensation is scheduled for payment during work periods only.

A food stamp applicant initially applies and has a new contract or an ongoing food stamp household that initially starts receiving contract income during participation in the program. In these instances, the worker must anticipate income and annualize, but not count **any income** until the budget month that the individual will actually receive a check.

Example:

A household applies in June and has a contract to start teaching in August. The income from the contract must be annualized, however, the first month that any contract income would be counted is August for food stamp purposes.

Once the household is in a continuing cycle of income, the worker must annualize income expected and begin counting the monthly amounts the first month of participation.

Example:

In January, a household applies for food stamps and a teacher in the household has been under contract for the last year and receives contract income for the months of August through May. Starting with the benefit month of January, the contract income must be prorated over 12 month and 1/12 of it must be counted as income and used when calculating January benefits (the first month of participation).

Contract Renewal

The renewal process may involve signing of a new contract each year, may be automatically renewable, or, as in cases of school tenure, rehire rights may be implied and not require a written contract.

Earned vs. Unearned

Payments, such as sick leave, disability or vacation pay from an employer that are paid from employer funds are earned income if the individual is still considered an employee.

Example:

An employed individual is receiving a check from the employer while on sick leave. Because the individual's employment has not been terminated the payment is counted as earned income. Payments, such as sick leave, disability, vacation or severance pay from an employer that are paid from employer funds are unearned income if the individual is no longer an employee.

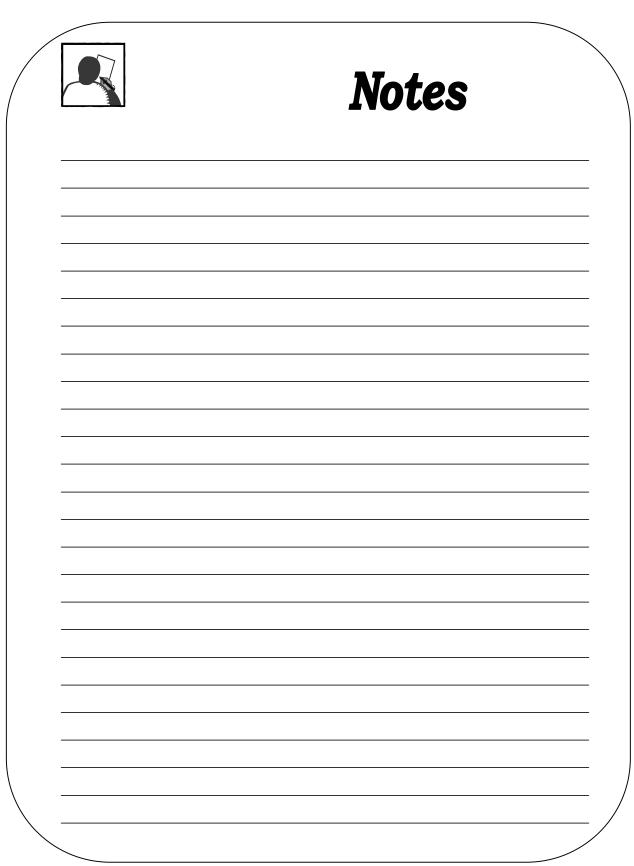
Payments from an outside source such as insurance companies are unearned income.

Example:

An individual is receiving disability payments from a group insurance policy that was purchased through the employer. The checks were delivered to the individual by the company which acted as addressee. Since the payments came from an outside source (the insurance company) instead of company funds they are considered unearned income.

If a final paycheck does not identify any vacation/sick leave pay as being included in the final check, the check is counted as earned income. If the final check identifies any portion of the check for vacation/sick leave pay, that portion **must be** counted as unearned income.

Notes	



EXERCISE: One - Initial Application



A household initially applies on August 5 and is interviewed on August 9. At interview the household provides the July 5 check of \$250.00 gross income, the July 20 check of \$400.00 gross income and the August 5 check of \$425.00 gross income. During the interview the household states the July 5 check is short hours due to illness. Household anticipates that total August income will be same as the July 20 and August 5 checks.

What income is used to calculate eligibility and level of benefits for the month of application (August)? July 20 check of \$400.00 and the August 5 check of \$425.00

Why? **Based on documented discussion with the household during the interview, this is the best prospection of income for August.**

What income is used to calculate eligibility and level of benefits for the second beginning month of application (September)? July 20 check of \$400.00 and the August 5 check of \$425.00.

Why? Based on documented discussion with the household during the interview, this is the best prospection of income for September.

EXERCISE: Two - Ongoing Case - Decreased Income



A household reports a decrease in wages on August 5 and verifies the July 5 check of \$500.00 gross income, the July 20 check of \$500.00 gross income and the August 5 check of \$350.00 gross income. The household provides verification that the decrease in hours is ongoing due to the employer cutting back all employee hours.

What income is used to calculate eligibility and level of benefits for the month of September? The August 5 check times 2 - \$700.00

Why? Household reported and verified ongoing decrease in hours from the employer

EXERCISE: Three - Ongoing Case - Base Month



A household verifies actual July income and provides the July 5 check of \$300.00, the July 20 check of \$450.00 and the August 5 check of \$190.00. The household reports that July income is what they anticipate for the month of September.

What income is used when calculating eligibility and level of benefits for September?

July 5 check of \$300.00 and the July 20th check of \$450.00

Why? Household reported and verified all July income and stated that is what they anticipate to earn for the month of September.

EXERCISE: Four - Ongoing Case - Increased Income



A household provides the July 5 check of \$412.00, the July 20 check of \$412.00 and the August 5 check of \$412.00. The household reports a pay raise from \$5.15 per hour to \$5.40 per hour that will be reflected on the August 20 check. The household indicates no change in the number of work hours – they will remain at 40 hours per week.

What income is used to calculate eligibility and level of benefits for September? 80 hours times \$5.40 per hour = 432.00 times 2 = \$864.00

Why? Household reported an increase in hourly wage. Verification is not needed as it will result in a decrease in benefits and this is an ongoing case and not an application or recertification.

EXERCISE: Five - Initial Application - On-call Income



A household initially applies on August 5 and is interviewed on August 9. At the interview the household reports on-call employment and provides the July 5 check of \$250.00 gross income, the July 20 check of \$400.00 gross income and the August 5 check of \$425.00. During the interview the household indicates that they do not have any idea of what, if any, earnings they will have on the August 20 check or for the month of September.

What income is used to calculate eligibility and level of benefits for the month of August? (The worker must question the applicant further regarding any hours worked since the last pay period, do they normally receive two checks each month, etc.

Based on the information obtained in the interview and prudent worker judgment has the following options:

- Take the two most current checks, July 20 check \$400.00 gross income and the August 5 check \$425.00 gross income and use them for August and September.
- Total the three checks, July 5 \$250.00 gross income, July 20 check \$400.00 gross income and August 5 check \$425.00 gross income. Divide the total \$1,075.00 by three to arrive at the average of \$358.33. The average of \$358.33 is multiplied by two for a total of \$716.99. This amount is used for August and September.
- Information from the household indicates that the household anticipates the August 20 check will be approximately 40 hours at \$7.00 per hour. The August 5 check \$425 gross income and the anticipated August 20 check of \$280.00 gross income is used for August and September.

Why?				
-				

September?	The same as for Augu	st	
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LESSON: Income Exclusions



Purpose

Review and explain the various types of income excluded by the Food Stamp Program.



eManual References

Income Exclusions	430-05-50-25
Non-Monetary Benefits	430-05-50-25-05
Excludable Vendor Payments	430-05-50-25-10
Reimbursements for Past or Future Expenses	430-05-50-25-15
Payments for Care and Maintenance of	
Non-Household Member	430-05-50-25-20
Earned Income of Students Under 18 Years of Age	430-05-50-25-25
Loans	430-05-50-25-30
Gifts	430-05-50-25-35
Irregular Income	430-05-50-25-40
Non-Recurring Lump-Sum Payments	430-05-50-25-45
Overpayments	430-05-50-25-50
Child Support Payments	430-05-50-25-55
Federal Drought Assistance Payments	430-05-20-25-60
Plan for Achieving Self-Support (PASS)	430-05-50-25-65
Income Excluded by Federal Law	430-05-50-30
Bankruptcy	430-05-50-35



Policy

Non-Monetary Benefits

Non-monetary benefits are any gain that is not in the form of money payable directly to the household. This includes in-kind benefits such as meals, clothing, public housing, produce from a garden, excludable vendor payments and housing provided by an employer in lieu of wages when the employee has no option.

Excludable Vendor Payments

Excludable vendor payments are those payments in money made by either an individual who is not a household member or by a public or private organization directly to a third party for a household expense. These payments are not counted as income and the payment paid to the third party for a household expense is not an allowable deduction.

Examples:

- 1. A rent payment, when it is paid directly to the landlord by a relative or friend who is not a household member, if the payment is not considered a loan
- 2. Rent or mortgage payments paid by Housing Assistance Program (HAP) or a local housing authority directly to the landlord or mortgagee.
- 3. Payments by a government agency directly to a child care agency.
- 4. TANF vendor payments are excludable if they are made for:
 - a. Medical assistance
 - b. Child care assistance
 - c. Energy assistance
 - d. Emergency assistance (including, but not limited to housing and transportation payments) for migrant or seasonal worker households while they are in the job stream.
 - e. Housing assistance payments made through a State or local housing authority.
- 5. GA vendor payments are excludable (except for housing) if they are made for:
 - a. Energy assistance.
 - b. Housing assistance from a State or local housing authority.
 - c. Emergency assistance for migrant or seasonal worker households while they are in the job stream.

- d. Emergency or special assistance payments.
- e. Assistance provided under a program in a State in which no GA payments may be made directly to the household in the form of cash.

Exception:

Tribal GA payments are countable.

6. Money received and disbursed by a third party for a household expense from a benefit or fundraiser.

Reimbursements for Past or Future Expenses

Reimbursements for past or future expenses are excluded if they do not exceed actual expenses. The worker **will not** consider a reimbursement to exceed the expense unless the provider or the household indicates that it is excessive.

Reimbursements for normal household living expenses such as rent or mortgage, clothes or food, **are a gain or benefit and are not excluded**. To exclude these payments, they must be specifically for an identified expense, other than normal living expenses, and used for the purpose intended.

When a reimbursement, including a flat allowance covers multiple expenses, it is not required that each expense be separately identified, as long as none of the reimbursement covers normal living expenses.

Examples:

- a. Reimbursements for job or training-related expenses such as travel, per diem, uniforms, and transportation to and from the job or training site.
- b. JOBS supportive services and TANF special allowances that represent a reimbursement.
- c. Reimbursements for out-of-pocket expenses of volunteers incurred in the course of their work.
- d. Medical or dependent care reimbursements.
- e. All TANF child care payments.
- f. Child Care Assistance Program payments.

- g. Tribal Work Experience Payments (TWEP). The incentive portion of TWEP payments is disregarded. Any amount over the incentive is unearned income.
- h. Nutrition for North Dakota Day Care Children, a United States Department of Agriculture (USDA) approved program to pay eligible in-home day care providers for food purchased for day care children.
- i. All income, allowances, and bonuses received as a result of participation in the Burdick Job Corps Program.

Payments for Care and Maintenance of Non-Household Member

When monies are received and used by a food stamp household for the care and maintenance of a non-household member, the portion of the single payment that is identified as belonging to the non-household member is excluded.

If the non household member's portion cannot be identified, the payment is divided equally among the individuals for whom the payment is intended and the exclusion is applied to either the portion or the amount actually used for the non-household member's care, whichever is less.

Examples:

1. A parent is receiving court ordered child support of \$350 per month for two children (prorated to \$175 per child). The parent reports that one of the children went to live with the grandparents. The parent sends \$175 of the monthly child support check to the grandparents for the care of the child. Only \$175 would be counted as unearned income to the parent and remaining child. The \$175 sent to the grandparents is not counted as income to the parent.

If the parent does not send any of the \$350 monthly child support to the grandparents, the \$350 is counted as unearned income for the parent and remaining child.

If the parent sends \$200, only the prorated \$175 would be excluded.

2. The clothing allowance paid by TANF for children in boarding school or under the Voluntary Placement Program.

Earned Income of Students Under 18 Years of Age

To exclude the earned income of a student under the age of 18, that student must be attending elementary or secondary school at least half time and living with a natural, adoptive parent or stepparent, or be under the parental control of a household member other than a parent.

This exclusion continues during school vacations, provided the child's enrollment resumes following the vacation.

Earnings for these individuals are excluded through the month they turn 18.

When a student turns 18, the student's income must be prospectively anticipated for the month following the student's birthday.

If the student's earnings or amount of work cannot be identified from that of others, the total earnings are prorated evenly among the working members and the student's pro rata share is excluded (i.e. migrants when the contract is for the family unit).

The TECS coding on the MASS screen is "PT" for part-time but less than half-time, "HT" (half-time) or "FT" (full-time) for a student. The parental control indicator on this screen must set to "Y" for all students under the age of 18.

Loans

All loans, including loans from private individuals as well as commercial institutions are excluded.

Gifts

Monetary gifts, such as money received as a birthday, anniversary, graduation, or Christmas present, are excluded.

Irregular Income

Any income in the certification period that is received too infrequently or irregularly and cannot be reasonably anticipated, that does not exceed \$30 in a quarter.

Non-Recurring Lump-Sum Payments

Money, both earned and unearned, received in the form of non-recurring lumpsum payments. All non-recurring lump sum payments are counted as assets in the month they are received, unless specifically excluded by Federal law.

Overpayments

Monies that are voluntarily or involuntarily withheld from any income source that are used to repay an overpayment from that income source are excluded as income. The gross amount minus the overpayment deduction is the amount counted as income.

Exception:

When there is a reduction in a TANF benefit due to failure to perform a required action or for IPV and an overpayment is being recouped, the gross amount of the TANF grant must be counted as income if the individual was receiving food stamp benefits at the time the penalty was imposed.

Child Support Payments

Child support payments received by TANF recipients that must be assigned to the Child Support Enforcement Unit in order to maintain TANF eligibility.

Exception:

Voluntary or unassigned child support payments received by TANF recipients are counted as unearned income.

Federal Drought Assistance Payments

Federal drought assistance payments made to farmers based on a determination by the Secretary of Agriculture that a farm emergency exists due to a natural disaster are excluded.

Plan for Achieving Self-Support (PASS)

Any amount necessary for the fulfillment of a Plan for Achieving Self-Support (PASS) under Title XVI of the Social Security Act (SSI) is excluded.

Bankruptcy

Bankruptcy procedures do not alter the regulations on income. Bankruptcy may or may not be relevant for food stamp purposes.

The worker should get a statement from the bankruptcy trustee regarding accessibility of assets and the household's anticipated income.

When a household is required to turn over their earned or unearned income to a bankruptcy trustee for distribution, these proceeds are considered in their entirety as income to the household.

The living allowance paid by the trustee to the household is usually a distribution of the above income received by the trustee on behalf of the household.

If the living allowance is from funds owned by the trustee, it is counted as unearned income.

Income Excluded by Federal Law

A **partial listing** of income that is excluded by federal law is included here and expanded in your emanuals. Contact your regional representative if assistance is needed in determining whether other types of income are excluded.

- Income that is excluded by express provision of federal statute for American Indians or Alaska Natives. Usually a law will specify payments to members of a tribe or band, and the law will apply to the members enrolled in the tribe or band wherever they live. The individuals should have documentation showing where the payments originated. These payments include, but are not limited to the following:
 - a. Indian per capita payments distributed from judgment awards and trust funds up to \$2,000 per person per payment. Amounts in excess of \$2,000 are considered a countable asset.
 - b. Interests of Indians in trust or restricted lands.
 - c. Up to \$2,000 per year of Individual Indian Monies (IIM) received by individual Indians that is derived from leases or other uses of individually owned trust or restricted lands.

Exception:

The \$2000 exemption does not apply to inheritance, bonuses, and other income that is not derived from leases, trust or restricted land.

Client statement is acceptable verification of the amount in an IIM account unless:

- 1. The amount is more than \$2000 for the year;
- 2. The client's statement is questionable;
- 3. The IIM account includes countable income such as inheritance, bonuses, and other income that is not derived from leases, trust, or restricted land.

Notes

MODULE: DEDUCTIBLE EXPENSE – 430-05-55



Objective

Provide eligibility workers with the information necessary to correctly determine what expenses are allowable when calculating eligibility and level of benefits.



Module Time

Approximate Time

2.5 Hours

Notes

LESSON: Deductions, Expenses and Vendor Payments



Purpose

Define and explain allowable deductions, expenses and vendor payments.



eManual References

 Deductions
 430-05-55-05

 Expenses
 430-05-55-10

 Excludable Vendor Payments
 430-05-55-15



Policy

The **standard deduction** is based on counting eligible household members in determining household size as follows:

• 1 through 4 person household \$134.00

• 5 person household \$153.00

• 6+ person household \$175.00

The **earned income deduction** is twenty percent (20%) and is allowed from **gross** earned income.

The above deductions are allowed automatically by the TECS system.

The following **expenses** are allowed as a deduction from countable income:

Medical expenses

- Dependent care costs
- Child support paid
- Representative Payee Fee
- Shelter costs

Calculating Expenses

A household may choose one of the following methods to calculate expenses.

Anticipated Expenses

Household expenses must be calculated based on expenses the household expects during the certification period. Anticipation is based on the most recent month's bills, unless the household is reasonably sure that a change will occur.

Billed Expenses

Except for averaged expenses, a deduction is allowed only for the month an expense is billed or otherwise becomes due, regardless of when the household plans to pay the expense. Amounts carried over from past billing periods are not deductible.

Averaged Expenses

For expenses that are not billed on a monthly basis the household **may elect** a one-time deduction or to have expenses averaged.

For fluctuating expenses the household may elect to use actual expenses or averaged expenses.

A worker must assist the household in deciding which of the following methods provides the household with the greater benefit.

Examples:

Expense Not Billed Monthly

A household certified from January 1 through June 30 reports an allowable medical expense of \$100 on March 15. The worker must act on the reported change.

The household may choose to have the \$100 medical deduction averaged over the remaining months of the certification period

(April, May, and June), and must then be removed for July OR it may be used in its entirety in April and must then be removed for May.

In this example without further medical expenses, the worker must inform the household that using the medical expense, as a one time expense in April would provide a greater benefit.

Fluctuating Expenses

An elderly household with ongoing fluctuating monthly prescription costs is certified for one year. The fluctuating costs should be averaged using a prior three-month period that is indicative of what the household anticipates to have as ongoing medical expenses for the new certification period.

If a household chooses averaging, the **worker** must document this in the case file. The method chosen must be used for the entire certification period.

Annual expenses such as property taxes or homeowners insurance that are billed yearly **must be** allowed as a one-time payment or averaged over 12 months.

Excludable Vendor Payments

Excludable vendor payments are those payments in money made by either an individual who is not a household member or by a public or private organization directly to a third party for a household expense. These payments are not counted as income and the payment paid to the third party for a household expense is not an allowable deduction.

Examples:

- 1. A rent payment, when it is paid directly to the landlord by a relative or friend who is not a household member, if the payment is not considered a loan.
- 2. Rent or mortgage payments paid by Housing Assistance Program (HAP) or a local housing authority directly to the landlord or mortgagee.
- 3. Payments by a government agency directly to a child care agency.
- 4. TANF vendor payments are excludable if they are made for:
 - a. Medical assistance

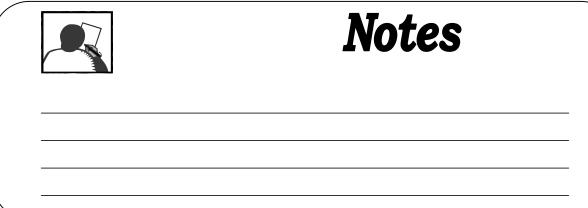
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- c. Energy assistance
- d. Emergency assistance (including, but not limited to housing and transportation payments) for migrant or seasonal worker households while they are in the job stream.
- e. Housing assistance payments made through a State or local housing authority.
- 5. GA vendor payments are excludable (except for housing) if they are made for:
 - a. Energy assistance.
 - b. Housing assistance from a State or local housing authority.
 - c. Emergency assistance for migrant or seasonal worker households while they are in the job stream
 - d. Emergency or special assistance payments.
 - e. Assistance provided under a program in a State in which no GA payments may be made directly to the household in the form of cash.

Exception:

Tribal GA payments are countable.

6. Money received and disbursed by a third party for a household expense from a benefit or fund-raiser.



LESSON: Medical Expenses



Purpose

Define and explain medical expense policy.



eManual References

Medical Expenses	430-05-55-20
Computing Medical Expenses	430-05-55-20-05
Past Due Medical Expenses	430-05-55-20-10
Third Party Payments	430-05-55-20-15
Allowable Medical Expenses	430-05-55-20-20



Policy

That portion of medical expenses in excess of \$35 per month, excluding special diets, of an elderly (beginning in the month an individual turns age 60) or disabled household member are allowable after third party payments. These expenses must be reported and verified within 30 days of the billing date.

This includes all allowable medical expenses made by a household for an individual who was an elderly or disabled household member immediately prior to dying or entering a hospital or nursing home, if the remaining household members are legally responsible for payment of the expenses.

Examples:

1. An elderly mother and daughter are living together and are one household for food stamp purposes. The mother goes into the hospital and the daughter who is not legally responsible for her mother's medical costs is paying on those expenses as she can. The daughter is not allowed to claim a medical deduction for her mother's costs because she is not legally responsible for them.

2. An individual (not elderly or disabled) applies for food stamps. At the time of application, the individual reports that her disabled husband passed away and also reports medical expenses that were incurred by her husband that she is legally responsible to pay. These expenses are an allowable deduction for this individual. The worker must manually determine the monthly amount, and deduct \$35 prior to entering this as a child support deduction on the NOMD screen.

Households may but are not required to report any changes in medical expenses during the certification period. If the household reports a change, it must be acted on applying 10-10-10.

If the household reports a medical expense but is unable to provide verification of the expense, a deduction is not allowed.

The \$35 applies to the total expenses incurred by all elderly or disabled household members, it does not apply to each person's expenses if more than one person in the household is elderly or disabled. TECS automatically deducts \$35 from the amount entered on the EXSA screen.

Individuals receiving Social Security benefits as a dependent or survivor **are not** eligible to receive the medical deduction.

Individuals receiving emergency SSI benefits based on presumptive eligibility **are** eligible to receive the medical deduction.

At initial application and recertification medical expenses should be averaged from a prior three-month period, if that is indicative of what the household anticipates having as ongoing medical expenses in the new certification period.

The medical expenses from the three prior months may not be indicative of combination Food Stamps/Medicaid cases when the full recipient liability is not being met. The worker must thoroughly discuss this with the household to establish what the household anticipates as ongoing medical expenses.

In a combination FS/MA case, when making a change for both programs, if the recipient liability for MA changes and the recipient liability is being allowed as a medical expense for food stamps purposes, change the amount allowed as an expense for food stamps on the EXSA screen as follows:

1. If the household is incurring the **entire** recipient liability, change the amount allowed as an expense for food stamps on the EXSA screen to the new amount.

2. If the household is incurring **only a portion** of the recipient liability and the amount has been averaged, and the income or expenses for this case causes the recipient liability to change, continue to use the previously averaged amount as a medical expense for food stamps. At recertification, reaverage using the new recipient liability.

The SFN 187 - Medical Expense Worksheet should be used for all households entitled to a medical deduction. If the SFN 187 is used, the household must be asked to complete the bottom portion of the form and the worker completes the top half. This worksheet also serves as documentation of verified medical expenses, the calculation and the amount allowed as a deduction.

The client can choose to have current medical expenses, paid or unpaid computed as follows:

- Averaged over the remainder of the certification period.
- Used as a one-time expense for the next month.
- A monthly installment can be used for the period of time it has been agreed upon for the household to pay the balance.

This agreement can be verbal or implied (as long as the medical provider is accepting payment, there is an agreement).

The **worker** must assist the household in deciding which method provides the household with the greater benefit.

If the averaging or monthly installment computation is used, a one-time expense is treated separately. Do not change the averaged amount currently being used for the certification period. For installment payments, they are allowed only through the month the expense would have been paid.

Example:

A household has ongoing monthly medical expenses of \$100 and the household timely reports a one time medical expense of \$250 for glasses on March 5. When calculating benefits for the month of April, the ongoing monthly medical expense of \$100 is allowed and the household has the option of using the \$250 deduction as follows:

• The one time medical expense of \$250 can be averaged over the remaining months of the certification period.

- Allowed as a one time medical expense of \$250 for April, when calculating benefits for the month of May the medical expense is not allowed.
- If the household had agreed to a monthly installment of \$50 for the glasses, the \$50 would be added to the \$100 ongoing monthly medical expenses for the next five months.

 All "ME FS" on EXSA

Medical expenses cannot be allowed if past due. A bill is considered past due 30 days from the billing date after third party processing. Past due means the payment is overdue to the provider, not overdue at the time of recertification.

The only time a bill is not considered past due is if the household made an arrangement with the provider to make payments within 30 days after the initial billing date or within 30 days after third party payment.

Examples:

An individual initially applying in March reports and verifies a \$600 medical expense incurred in November. The individual has been making monthly payments of \$50 since the original billing. The \$50 payment is an allowable deduction each month through the following November. It cannot be allowed beyond the month of November as the bill should be paid and averaging was not used.

An individual initially applying in March reports and verifies a \$600 medical expense incurred in November. The individual started making monthly payments of \$50 in February. The individual was originally billed for this expense in December. The \$50 monthly payment cannot be allowed as it is considered "past due".

Any medical expense that will be covered by a third party payment or an excluded vendor payment is not allowed as a deduction. No deduction can be allowed until:

- The third party has made a determination regarding payment.
- The medical vendor has billed the household for the remaining balance.
- The household must report and verify within 30 days of the billing.

A household's statement that no third party payment will be received must be accepted unless it is questionable.

Example:

A household has total medical expenses of \$635 and has third party coverage (such as health insurance or Medicare). The household receives the bill for \$635 in February. In June the health insurance company pays \$400 of this bill. The household is billed on July 15 for the remaining \$235 and reports and verifies this on August 5.

As the individual reported and verified the expense timely (within 30 days from the billing date after third party processing) the worker must allow a medical deduction using one of the following methods:

- Averaged over the remainder of the certification period.
- A one-time deduction for the month of September.
- Monthly installments can be allowed for the period of time it has been agreed upon for the household to pay the balance.

A **partial** listing of allowable medical costs is in the manual. This includes costs such as: medical care, dental, prescriptions, etc.

These costs **must** be verified.

Notes

EXERCISE: One - Medical Deductions



1. Who is eligible for the medical deduction?

Any aged, or disabled household member

2. What portion of the medical expenses are allowed?

Verified expenses in excess of \$35

3. Are verifications required? (Circle One)



No

4. If yes, what happens if verifications are not provided?

Expenses are not allowed as a deduction

5. What is the Form SFN 187?

Medical Expense worksheet

6. How and when is this form used?

Initial applications and recertifications to determine medical expense amount

7. What are the three methods used to compute medical expenses?

Averaged, actual and one-time

8. Who decides which method is used to determine the amount of the medical expense?

Household with discussion with the worker

- 9. Can the method used in determining the allowable medical expense be changed during a certification period? (Circle One) Yes No
- 10. What action is taken when the client reports and verifies a change in medical expenses during the certification period?

Worker must react to the reported and verified change

11. What are Past Due Medical Expenses?

Medical expenses that are beyond the 30 days from the initial billing date

12. If a medical expense has been submitted for Third Party Payment, can it also be allowed as a medical expense for FS?

No, must wait until verification of Third Party Payment is received, then allow what is not covered.

EXERCISE: Two - Medical Deductions



Household **applies and is interviewed for FS on August 10th.** George (PI and head of household) and Betty are elderly and incur medical expenses monthly. Both have a Medicare Expense of \$66.60 (ME MC) and their remaining medical expenses vary each month. Their **total verified** medical expenses were as follows and **does not include their Medicare premiums**:

April \$108 May \$285 June \$160

July \$375 (includes a one time cost of \$200 for a pair of new eyeglasses incurred on July 25th. George wants this allowed as a one time expense in Sept.)

Aug. \$150 (to the date of interview, household does not know if additional expenses will be incurred this month)

What amount will be entered on EXSA as a medical expense for this household?

ME MC \$66.60 by each HH member
ME FS \$200.00 by George (PI in the case)
ME FS \$182.00 by George or \$206.66 by George

How was the expense determined?

The 3 highest months of expenses May \$285 + June 160 + July 175 = 620 divided by 3 = 206.66.

Or (Depending on which the household indicates is most indicative for future months) ---

Total expenses of \$728 - April \$108, May \$285, June \$160 and July \$175 (\$375 less the \$200 one time expense to be listed separately). The \$728 divided by 4 = \$182

If the household wishes to include expenses for August the worker would pend the case until August 31st and if no additional expenses and provided allow all 5 months for a total of \$878 divided by 5 equals \$175.60

Note: Worker should set an alert or reminder to remove the \$200 expense when processing September benefits.

LESSON: Dependent Care Costs



Purpose

Define and explain dependent care deduction.



eManual References

Dependent Care Costs

430-05-55-25



Policy

Households must verify current month dependent care expenses at initial application and recertification. The maximum deduction for dependent care is \$200 per month for each child under the age of two and \$175 per month for all other dependents. If greater amounts are entered, TECS will automatically reduce them. A deduction for care of a child or other dependent is allowed when necessary for a household member to:

- Accept or continue employment.
- Seek employment.
- Attend training or pursue education preparatory to employment.

The portion of child care expenses that will be reimbursed is not allowable.

Dependent care expenses will be allowed only if the service is provided by someone outside the food stamp household and the household makes a money payment for the service.

When the child care expense is greater than the child care assistance payment, the out-of-pocket child care expense incurred by the household is an allowable child care deduction up to the food stamp maximums.

Example:

The child care expense for one child is \$250 and child care assistance reimburses the household \$100 that is applied toward that child care bill, for food stamp purposes:

- 1. Disregard as income the \$100 child care assistance payment.
- 2. Allow a child care deduction in the amount of \$150 (\$250 total child care expense incurred minus the \$100 child care payment).

If a child care assistance case is **open** but **no** payments are being made, the child care assistance sliding fee schedule **must** be used to determine the out-of-pocket expense to the household.

Exception:

If a TANF household chooses the option of receiving a work related child care disregard from the TANF grant, food stamps will count the amount of the TANF grant as unearned income and allow the household a deduction for child care expenses up to the maximum.

When a child care assistance application is pending, allow the entire child care expense as a deduction up to the maximum. Once the child care assistance application has been approved, out-of-pocket costs are allowed applying 10-10-10.

At application, anticipated expenses for the first two months are allowed as a deduction based on verification from the provider, information from the household, and the worker's prudent judgment.

If at the time the food stamp application is being processed the household has a pending child care assistance application, allow an anticipated child care deduction without regard to the pending child care assistance application.

At recertification if the household anticipates no changes in child care expenses, use base month or current month verified expenses. If not anticipating a change and household fails to provide verification of base month or current month, no deduction is allowed.

For ongoing cases, if a change is anticipated and it will result in an increase in food stamp benefits, it must be verified before it can be allowed. If an anticipated change results in a decrease in benefits the change must be allowed and verified at the next recertification.

LESSON: Child Support Paid Deduction and Representative Payee Fees



Purpose

Define and explain the child support paid deduction.



eManual References

Child Support Paid Non Allowable Child Support Paid Representative Payee Fee 430-05-55-30 430-05-55-30-05 430-05-55-35



Policy

Legally obligated child support payments paid by a household member to or for a non-household member, including payments made to a third party on behalf of the non-household member (vendor payments), and arrearages are allowable deductions.

Exception:

Legally obligated child support payments made to an individual outside of the household or an agency must be allowed if the child for whom the support was paid is a household member.

Example:

Dad has a legal obligation to pay child support/arrearages, the children are now living with him, and he continues to pay the support to his ex-wife who is not a household member. As dad continues to pay support, the deduction is allowed.

The worker must verify the following information:

- 1. The legal obligation.
- 2. The amount of the legal obligation.
- 3. The amount actually paid including arrearages.

Verification can be obtained from:

- 1. FACSES
- 2. Child support stubs
- 3. Documented collateral contacts
- 4. Wage stubs
- 5. Verification provided by the client from the child support website www.childsupportnd.com

The surcharge or processing fee that employers can charge and health insurance premiums are allowable deductions. These expenses are entered on the NOMD screen in TECS.

Alimony or spousal support payments are not allowable deductions.

The deduction can exceed the legally obligated amount as a result of arrearages, interest or income withholding orders.

Initial Application:

At initial application, the worker will allow the deduction based on an AVERAGE of what the household has paid if there is a payment history, (two prior consecutive months which could include the application month), taking into account any expected changes and the legally obligated amount.

The number of months used to arrive at the average is not limited, and is based on the prior payment history, the individual's current circumstances and discussion with the household. This must be documented.

Where child support is paid on a sporadic basis, a deduction cannot be allowed unless the worker can reasonably anticipate that a payment will be made. This determination is based on the prior payment history (two prior consecutive months which could include the application month) for the household and documented discussion with the household.

If there is no prior payment history (two prior consecutive months which could include the application month), a deduction is allowed based on what the household expects to pay, including arrearages. The worker must look at the amount legally obligated, the individual's current circumstances and discussion

with the individual. The amount allowed and the reason why must be documented in the casefile.

If there is an initial court order establishing child support, the amount allowed as a deduction is anticipated based on the court order, the individual's current circumstances and discussion with the individual. The amount allowed and the reason why must be documented in the casefile.

Where there is no payment history, the household must be certified for no more than 3 months.

Recertification

At recertification, the worker must verify the amount paid in the prior certification period including arrearages and any reported change in the legal obligation. The worker must average (sporadic or regular payments) and use that amount for the next certification period.

Any child support payments the household anticipates making in the month the recertification is due must be included in the average for the new certification period.

Example:

A household certified for January through March is recertified on March 5. Any child support payments the household anticipates making in the month of March must be included in the average for the new certification period.

If the household reports and verifies a change at recertification, the change must be acted on as part of the recertification process.

Examples:

1. At recertification on October 11, a household reports and verifies a change in their legal obligation to pay child support from \$300 per month to \$200 effective October 1. The household states they have already paid the \$200 for October and will continue to pay that amount each month. When working this case for November benefits, based on discussion with the household and verification of the new amount of the obligation, \$200 a month is allowed as a deduction.

2. At recertification in May, a household reports and verifies a change in the their legal obligation to pay child support. The only child turned age 18 and is graduating from high school this month. Effective June 1, the child support obligation stops. When working this case for June benefits, no child support deduction is allowed.

If there is an initial court order establishing child support, the amount allowed as a deduction is anticipated based on the court order, the individual's current circumstances and discussion with the individual. The amount allowed and the reason why must be documented in the casefile. The household must be certified for no more than 3 months, as there is no payment history in this case.

Ongoing Cases:

For ongoing cases where the household is paying child support through income withholding each month and the household is providing pay stubs that reflect this, the child support deduction must be based on the average amount withheld in the prior certification period, including arrearages.

If the household reports an anticipated change in the amount they expect to pay, the worker must follow-up on this. If the change will result in an increase in food stamp benefits, the household must provide verification of the anticipated change and the new verified amount is used for the remainder of the certification period.

Example:

A household reports and verifies an increase in the legal obligation to pay child support on October 17, from \$200 to \$300 per month effective November 1. The household's certification period is August through March. When working this case for November benefits, the new verified amount of \$300 is allowed each month through March.

If the household reports an anticipated change in the amount they expect to pay and it will result in a decrease in benefits, the amount of the anticipated change must be used without verification of it. Verification must be obtained at the next recertification.

Once certified, the household is not required to report how much of the legally obligated amount they actually paid. That information must be reported and verified at the next recertification.

Example:

A household was initially certified allowing a verified legal child support obligation of \$300 per month. At the time of certification, the payment history showed the household had actually paid \$300 a month. The household was certified from May through October with an averaged deduction of \$300 per month. In August and September, the household makes payments of \$100. There is no change in the legal obligation. As the household is not required to report a change in the amount actually paid, the \$300 per month deduction allowed through October is correct.

The household is required to report changes in the legal obligation including the amount that they are legally obligated to pay.

When there is an initial court order establishing child support, the amount allowed as a deduction is anticipated based on the court order, the individual's current circumstances and discussion with the individual. The worker must document the amount used and the reason why. This amount is used for the remainder of the certification period.

An income tax refund that has been intercepted by the Child Support Enforcement Unit for child support arrearages **is not** an allowable deduction.

Child support payments paid to another member of the same food stamp household are **not** an allowable deduction.

Example:

A child lives with his parents who are not married but who are members of the same household. The father pays child support to the mother as a result of a court order. This payment is not an allowable deduction and is not counted as income to the mother.

Representative Payee Fees

Representative payee fees are fees that non-profit organizations are authorized by Social Security Administration to assess to individuals for whom they serve as representative payee. This fee is an **allowable** deduction for a household claiming this expense. Verification must be provided before the deduction can be allowed. This expense is entered on the NOMD screen in TECS.

EXERCISE: One - Child Support Deduction



The household initially applies for Food Stamps on July 15. At the interview on July 20 the household reports and verifies a child support obligation of \$300 each month through income withholding and pay stubs that reflect this. The household is paid weekly on Fridays. The household provides the pay stubs for the months of April to the date of interview.

Child support	paid for April is:	Child suppor	t paid for May is:
April 2	\$69.23	May 7	\$69.23
April 9	\$69.23	May 14	\$69.23
April 16	\$69.23	May 21	\$69.23
April 23	\$69.23	May 28	\$69.23
April 30	\$69.23	·	
Child support	paid for June is	Child suppor interview in .	t paid to date of July is
Child support	paid for June is \$69.23	1.1	1
11	•	interview in 3	July is
June 4	\$69.23	interview in 3 July 2	July is \$69.23
June 4 June 11	\$69.23 \$69.23	interview in 3 July 2 July 9	July is \$69.23 \$69.23

What is the child support deduction allowed when calculating August food stamp benefits?

\$311.53

How did you arrive at this amount?

18 X \$69.23 =\$1246.14 divided by 4 = \$311.53 (Anticipate the additional 2 pay periods in July)

What length of certification period is assigned to this household?

Six months required due to child support deduction

EXERCISE: Two - Child Support Deduction



A household initially applies for food stamps on August 16. At the interview on August 25 the household reports and verifies a child support obligation of \$200 per month. The court order is effective September 1 and no payments have yet been made. The individual is employed, and states they expect to pay \$200 per month starting September 1.

What child support deduction is the household entitled to for the application month of August?

Zero - The court order is not effective until September 1.

What child support deduction is the household entitled to for the month of September? \$200 is allowed for September

Why?

Individual is employed and states they expect to pay. This must be documented.

How long is this household certified for? ? 3 months

Why?

There is no payment history

LESSON: Shelter Costs



Purpose

Define and explain shelter cost policy.



eManual References

Shelter Costs Treatment of Expenses 430-05-55-40 430-05-30-55-15



Policy

Monthly shelter costs in excess of 50% of net adjusted income after all other deductions are allowed, not to exceed \$388.

Exception:

Households containing one or more eligible elderly or disabled members are not subject to the shelter deduction maximum of \$388. Households in which the only elderly or disabled members are excluded are subject to the shelter deduction maximum.

Only the most current bills can be used for verification of shelter costs. Past due amounts are not an allowable expense. Only the billed amount can be allowed as a deduction.

Example:

Household's monthly mortgage payment is \$500 per month. The household is paying \$600 a month to pay the mortgage off sooner. Only the \$500 billed amount can be allowed as a shelter cost deduction.

Expenses need not be in the household's name, but must be incurred by the household and the household must be expected to pay the expense.

If a non-household member pays the household's shelter costs directly to the provider on behalf of the household, the worker must determine if the payment is a loan. If the payment is a loan, it is excluded from income and the expense is allowed as a shelter deduction. If the payment is not a loan, it is excluded from income and the shelter deduction is not allowed.

When **separate** households share shelter expenses and one receives a payment for shelter expenses from the other, the payment is **not** counted as income. Each household is entitled to its actual share of the shelter costs as a deductible expense.

Example:

Tom and Bill are roommates claiming separate household status. Bill pays Tom \$200 a month for his share of the rent and Tom pays the landlord the \$400 monthly rent. The \$200 paid to Tom is not counted as income and each is allowed their share of the rent (\$200) as a deductible expense.

Shelter costs covered by an excludable reimbursement or vendor payment are not allowable deductions.

Exception:

LIHEAP payments.

Example:

The portion of rent paid by HUD is not allowed

Shelter costs include only the following:

1. Rent. Is allowed only if the household is responsible to make a money payment to someone outside of the food stamp household. If there is a separate identifiable rental fee for a garage, appliances, furniture, etc., it is not allowed.

Exceptions:

a. If an individual works in exchange for rent with no option to be paid, no income is counted and no rent expense is allowed.

b. If an individual works off part of the rent with no option to be paid, the amount that is worked off is not counted as income and the remaining amount is allowed as a rent expense.

The portion of rent paid by Housing Assistance Program (HAP) is not considered part of a household's shelter expense.

If a certified group home resident has a single payment for room and meals, the amount of the payment that exceeds the Thrifty Food Plan (TFP) is a shelter expense. If a resident has a separate identifiable payment for room charges, that amount is used for the shelter deduction.

2. Mortgage Payment (including both first and second mortgages). Payments on second mortgages and home equity loans are allowable shelter costs regardless of why the money was obtained or how it was used.

When the Farm Service Agency (FSA) has placed a moratorium on a household's mortgage payment, the deduction for a FSA mortgage payment is not allowed during the moratorium period. After the moratorium has ended, the recalculated amount is allowed.

- 3. The shelter costs of an unoccupied home can be claimed if:
 - The home is unoccupied due to employment or training away from home, illness or abandonment caused by a natural disaster or casualty loss, and
 - The household intends to return to the home, and
 - The current occupants, if any, are not claiming the shelter costs for food stamp purposes, **and**
 - The home is not leased or rented during the absence of the household.
 - 1. Condominium and association fees.
 - 2. Mobile home lot rent.
 - 3. Property taxes, State and local assessments (if not included in the mortgage payment). The most current year's incurred amount must be verified. Always use the full amount regardless of when the taxes are paid or if taxes are discounted due to early payment. Taxes need not be paid. Penalties or past due taxes from prior years are not allowable.

Property taxes that are billed yearly must be allowed as a one-time payment or averaged over 12 months.

4. Homeowner Insurance (if not included in the mortgage payment). The most current year's amount must be verified. Insurance need not be paid, only incurred.

If the bill separates contents, liability and structure costs, only the amount for the structure can be allowed. If the bill does not separate these costs, the entire amount is allowed.

Service fees charged by the insurance company for households who choose to pay their insurance other than yearly are an allowable deduction. Late fees are not an allowable deduction.

Renter insurance is not an allowable expense. Flood insurance is an allowable expense.

Homeowners insurance billed yearly must be allowed as a one-time payment or averaged over 12 months.

5. Utility expenses. Households cannot claim actual utility expenses and are entitled to only one of the mandatory utility standards.

Households with a separate utility meter, even if the utility bill is not in their name, are entitled to one of the mandatory utility standards as long as they are expected to pay the utility bill.

Example:

A household is renting a home and is responsible for the heating costs; however, the bill is in the landlord's name. The landlord in turn gives the bill to the household each month for payment. As the household is incurring the bill and there is a separate meter, the household is entitled to the standard utility allowance (HL SU).

Households that are billed by their landlord on the basis of individual usage or are charged a flat rate for utility costs separately from their rent are entitled to the appropriate standard.

Examples:

1. An individual lives in an apartment where there is a separate meter for heating costs. The utility bill is not in the food stamp household's name, but the household incurs these expenses and is expected to pay the bill. The household is entitled to the standard utility allowance (HL SU).

2. An individual lives in a side-by-side duplex and there is only one meter for heating costs. The owner of the duplex lives in one side and a food stamp household lives in the other side. The landlord bills the food stamp household a flat rate of \$200.00 per month separately from the rent for the heating costs. The household is entitled to the standard utility allowance (HLSU).

If a household receives a HUD or FSA utility subsidy, the actual current utility bills must exceed the utility subsidy before the household is entitled to the appropriate standard.

Examples:

1. A household is responsible for heating costs and the monthly HUD utility payment is \$150. The household's actual utility bills are:

Heating	\$100
Electricity	\$ 75
Water/Sewer/Garbage	\$ 35
Telephone Standard	\$ 38
Total	\$248

As the actual utility bills exceed the HUD utility payment the household is entitled to the standard utility allowance (HL SU).

Actual Utility Bills	\$248
HUD Utility Payment	\$ <u>150</u>
Allowable Expense	\$ 98

If the utility expenses do not exceed the HUD utility payment the household is entitled to no mandatory utility standard

2. A household that is not incurring heating/cooling costs and is not eligible for LIHEAP receives a HUD utility payment of \$15. The household's actual bills are:

Electricity	\$40
Telephone Standard	<u>\$38</u>
Total	\$78
Actual Utility Bills	\$78
HUD Utility Payment	<u>\$15</u>
Allowable Expense	\$63

As the actual utility bills exceed the HUD utility payment, the household is entitled to the limited utility allowance (LU SA).

If the HUD payment exceeds the actual utility bills, the household is entitled to no utility standard.

Exception:

If a household is planning to apply, has applied for, or is in receipt of LIHEAP, the actual bills do not need to be verified or exceed the payment.

If a non-household or ineligible household member **shares** utility costs with eligible household members, the eligible household members are entitled to the appropriate standard.

If two or more separate households **live** together and share utility costs, each household is entitled to the appropriate standard.

Example:

A household consists of three single individuals who purchase and prepare meals separately. One of the three individuals applies for benefits. All utility costs are shared. The food stamp household is entitled to the appropriate standard.

A household is not entitled to any utility expenses for an unoccupied home.

a. Standard Utility Allowance (HL SU):

Households responsible for heating/cooling costs or in receipt of LIHEAP including Tribal LIHEAP or renter/heat paid benefits are entitled to the full Standard Utility Allowance (HL SU on the EXSA screen) of \$444.00, which includes all utility expenses.

Households planning to apply or those who have applied for LIHEAP are entitled to the HL SU.

Exception:

If the worker knows the household is not eligible for LIHEAP, the HL SU cannot be allowed. This must be documented in the case file.

If a household received LIHEAP benefits in the last heating season and its circumstances have not changed, the worker can anticipate that LIHEAP benefits will be received in the next heating season and the HL SU must be allowed.

If a household received LIHEAP benefits in the last heating season, moves to a new residence where they have no heating/cooling costs, and are not eligible for a renter/heat paid benefit, the household loses entitlement to the HL SU.

If a household did not receive LIHEAP last year (either did not apply or was not eligible), and the worker can anticipate eligibility for LIHEAP for the upcoming season, the household is entitled to the HL SU.

When the cost of heat is included in the rent and the household is entitled to LIHEAP renter/heat paid benefits, the household is entitled to the HL SU.

Any households that have central utility meters and are charged only for excess heating or cooling costs are entitled to the HL SU year round.

Households that are charged only for excess heating or cooling costs are entitled to the HL SU year round.

b. Limited Utility Allowance (LU SA):

Households not entitled to the HL SU that incur at least **two** of the following utility expenses are entitled to the Limited Utility Allowance (LU SA on the EXSA screen) of \$174.00.

Water

Sewer

Garbage

Electricity

Telephone - the household must incur the basic service fee for one telephone to be entitled to the telephone deduction.

The basic service fee for a cellular phone is allowable if that is the only phone the household has.

Example:

A household is renting an apartment and is responsible for electricity and telephone costs (no heating/cooling costs). As the

household is incurring these expenses, the household is entitled to the Limited Utility Standard (LU SA).

c. Minimum Utility Standard (MU):

Households not entitled to the HL SU or LU SA that incur at least **one** of the following utility expenses are entitled to the Minimum Utility Standard (MU on the EXSA screen) of \$82.00.

Water Sewer Garbage Electricity

Example:

A household is renting an apartment and is responsible for electricity only (no heating/cooling costs). As the household is incurring these expenses, the household is entitled to the Minimum Utility Standard (MU).

d. Telephone Standard (TL)

Household not entitled to the HL SU, the LU SA, or MU that incur telephone expenses only are entitled to the Telephone Standard (TL on the EXSA screen) of \$38.00. The household must incur the basic service fee for one telephone to be entitled to the telephone deduction. The basic service fee for a cellular phone is allowable if that is the only phone the household has.

6. Charges for repair of a home that was substantially damaged or destroyed due to a natural disaster such as fire or flood that are not reimbursable. (These must be looked at on a case by case basis.)

If utilities are included in the rent there is NO entitlement to any mandatory utility standard—unless the household is in receipt of a LIHEAP renter/heat paid benefit.

Appropriate Mandatory Utility Standard for Self-Employed Households

If a self-employed household's home is on property connected to property used for self-employment, the worker must determine if the shelter costs and self-employment costs can be separately identified.

Self-employment households where utilities are measured and billed separately are entitled to the appropriate mandatory utility allowance for its residence and to the separately billed self-employment costs as a cost of doing business.

Self-employment households where there is only one meter must use the following to separately identify costs:

- Allow the appropriate mandatory utility standard for the household's residence, and
- Allow the total utility costs minus the appropriate mandatory utility standard as a self-employment cost of doing business

Notes

EXERCISE: One - Mandatory Utility Standards



In the following examples, what mandatory utility standard is used:

- 1. Household incurs heating costs HL SU
- 2. Household incurs water costs MU
- 3. Household incurs electricity and telephone costs **LU SA**
- 4. Household incurs cooling costs HL SU
- 5. Two separate food stamp household shares utility expenses consisting of heat, electricity and telephone HL SU
- 6. Household incurs water, sewer and garbage costs LUSA
- 7. Household is in receipt of LIHEAP benefits. HL SU
- 8. Household incurs garbage costs MU
- 9. Household pays \$10.00 during the months of June, July and August for air conditioning costs HL SU
- 10. Household receives renter/heat paid benefit from LIHEAP HL SU
- 11. Household incurs telephone costs. TL
- 12. Household contains an ineligible student and shares utility expenses of electricity and telephone LUSA
- 13. Self-employed household with one meter that incurs heat, electricity, water, sewer, garbage and telephone expenses. HL SU for residence and the difference between actual costs and the utility standard is allowed for self-employment
- 14. Household incurs heat, electricity, water, sewer and garbage expenses for an unoccupied home. No utility costs are allowed for the unoccupied home.

MODULE: BENEFIT DETERMINATION – 430-05-60



Objective

Provide eligibility workers with the information necessary to correctly calculate income and level of benefits.



Module Time

Approximate Time

40 Minutes

Notes		

LESSON: Calculating Income and Level of Benefits



Purpose

Define and explain calculating income and level of benefits.



eManual References

Calculating Income and Benefit Level Initial Month Proration Minimum Benefit 430-05-60-05 430-05-60-10

430-05-60-15



Policy

Benefits are determined prospectively for each month of a household's food stamp certification period.

Calculating Income:

To determine the household's total countable income add the monthly countable gross earned income (including self-employment income) of all household members, minus the 20% deduction, to the monthly unearned income of all household members.

Calculating Net Adjusted Income:

To determine a household's net adjusted income subtract the allowable deductions from the total countable income. The following deductions are allowed:

Farm loss offset

- Standard deduction based on counting only eligible household members in determining household size.
 - 1 through 4-person household \$134.00
 - 5-person household \$153.00
 - 6+ person household \$175.00
- Medical costs over \$35 of elderly/disabled household members.
- Dependent care costs (not to exceed the authorized limit)
- Child support paid to a non-household member
- Excess shelter costs

Calculating Benefit Level:

To determine the household's benefit level, subtract 30% of the net adjusted income from the Thrifty Food Plan for the appropriate household size.

Thrifty Food Plan:

H.H. Size	<u>Amount</u>	H.H. Size	<u>Amount</u>
1	\$149	5	\$592
2	274	6	711
3	393	7	786
4	499	8	898
		Each Additional	. 112
		Member	+112

Initial Month Proration

A household's benefit for the initial month of certification will be based on the day of the month the household applies for benefits. Using the exact number of days in a month, households will receive benefits prorated from the day of application to the end of the month.

TECS automatically prorates the initial month. To determine the amount of benefits during the initial month, use the following chart:

Date	Multiply by	Multiply by	Multiply by
Application	This Amt. For	This Amt. For	This Amt. For
<u>Filed</u>	28-day Months	30-day Months	31-day Months
1	1.0000	1.0000	1.0000
2	.9642	.9666	.9677
3	.9285	.9333	.9354
4	.8928	.9000	.9032
5	.8571	.8666	.8709
6	.8214	.8333	.8387
7	.7857	.8000	.8064
8	.7500	.7666	.7741
9	.7142	.7333	.7419
10	.6785	.7000	.7096
11	.6428	.6666	.6774
12	.6071	.6333	.6451
13	.5714	.6000	.6129
14	.5357	.5666	.5806
15	.5000	.5333	.5483
16	.4642	.5000	.5161
17	.4285	.4666	.4838
18	.3928	.4333	.4516
19	.3571	.4000	.4193
20	.3214	.3666	.3870
21	.2857	.3333	.3548
22	.2500	.3000	.3225
23	.2142	.2666	.2903
24	.1785	.2333	.2580
25	.1428	.2000	.2258
26	.1071	.1666	.1935
27	.0714	.1333	.1612
28	.0357	.1000	.1290
29		.0666	.0967
30		.0333	.0645
31			.0322

After arriving at the prorated benefit amount round **down** to the nearest whole dollar.

Example:

\$20.49 and \$20.51 both round to \$20.

For all households, including one and two person households, the initial month must be processed and authorized. If the benefit computation results in a benefit of less than \$10, **no issuance** is made for the initial month. Subsequent months are authorized if the household remains eligible.

Example:

A household applies on April 27, is found eligible for \$27 in monthly benefits, however, there are no benefits issued for April because the initial month's prorated benefit is $3 (27 \times .13 = 3.51)$, rounded to 3). If otherwise eligible, benefits of \$27 are issued for the following month.

Minimum Benefits:

• One and Two Person Households

Eligible one and two person households are eligible for a **minimum** \$10 benefit.

Exception:

If during the initial month due to proration the benefit is less than \$10, a zero benefit is authorized.

• Households with Three or More Members

Eligible households with three or more members may be eligible for a benefit of **less than** \$10.

Exception:

If during the initial month due to proration the benefit is less than \$10, a zero benefit is authorized.

DO SOME HAND BUDGETS



Household Size: 2

1/4	G NOTE P					
1.	Enter gross earned income.			\$	0.00	1.
2.	Multiply Line 1 by 80% and enter here.			6	0.00	2.
3.	Enter unearned income.			6	852.00	3.
4.	Add Line 2 and Line 3.			\$	852.00	4.
5.	Expenses:					
	a. Farm loss offset.	s	0.00			
	b. Enter Standard Deduction.	s 1	34.00			
	c. Medical costs for elderly/disabled household members: Total Medical \$ 200.00 minus \$35.00 =	s 1	65.00			
	d. Enter dependent care costs (not to exceed authorized limit).	s	0.00			
	e. Enter child support paid to nonhousehold members.	s	0.00			
	Total Lines 5a thru 5e.			\$	299.00	5
6.	Subtract Line 5 from Line 4.			\$	553.00	6
7.	Excess shelter costs:					
	a. Rent or mortgage	5	75.00			
	b. Plus property tax, ins.	\$	0.00			
	c. Plus appropriate mandatory utility allowance (HLSU, LUSA, MU, TL)	\$ 4	44.00			
	d. TOTAL	\$ 5	19.00			
	e. 1/2 of Line 6.	\$ 2	76.50			
	Subtract Line 7e from Line 7d (up to allowable maximum)	1		6	242.50	7
8.	Subtract Line 7 from Line 6. (net adjusted income)			5	310.50	8
9.	Enter Thrifty Food Plan for household size.			8	274.00	ç
10.	Multiply Line 8 by 30%.			\$	93.15	1
11.	Subtract Line 10 from Line 9 and round down by dro	opping cents.		s	180	1
12.	Benefits prorated from			х		1
13.	NET BENEFIT.			6	180.00	1
NO	TES/DOCUMENTATION					1

NOTES/DOCUMENTATION

This household consists of 2 members (elderly couple) - They have social security income, medical expenses, pay rent and incur heating and cooling costs. This is an ongoing case - no proration of benefits.



Household Size: 3

MORT!					
Enter gross earned income.			6	1,450.00	1.
Multiply Line 1 by 80% and enter here.			\$	1,160.00	2.
Enter unearned income.			\$	0.00	3.
Add Line 2 and Line 3.			s	1,160.00	4.
Expenses:					
a. Farm loss offset.	\$	0.00			
b. Enter Standard Deduction.	\$	134.00			
c. Medical costs for elderly/disabled household members: Total Medical \$ 0.00 minus \$35.00 =	ş	0.00			
d. Enter dependent care costs (not to exceed authorized limit).	\$	300.00			
e. Enter child support paid to nonhousehold members.	s	250.00			
Total Lines 5a thru 5e.			6	684.00	5.
Subtract Line 5 from Line 4.			6	476.00	6.
Excess shelter costs:					
a. Rent or mortgage	6	98.00			
b. Plus property tax, ins.	\$	0.00			
c. Plus appropriate mandatory utility allowance (HLSU, LUSA, MU, TL)	\$	174.00			
d. TOTAL	\$	272.00			
e. 1/2 of Line 6.	5	238.00			
Subtract Line 7e from Line 7d	'		\$	34.00	7.
Subtract Line 7 from Line 6.			6	442.00	8.
			5	393.00	9.
			5	132.60	10
Multiply Line 8 by 30%.					
Multiply Line 8 by 30%. Subtract Line 10 from Line 9 and round down by dro	pping cents.		6	260	11
	opping cents.		\$ X	260	11
	Multiply Line 1 by 80% and enter here. Enter unearned income. Add Line 2 and Line 3. Expenses: a. Farm loss offset. b. Enter Standard Deduction. c. Medical costs for elderly/disabled household members: Total Medical \$ 0.00 minus \$35.00 = d. Enter dependent care costs (not to exceed authorized limit). e. Enter child support paid to nonhousehold members. Total Lines 5a thru 5e. Subtract Line 5 from Line 4. Excess shelter costs: a. Rent or mortgage b. Plus property tax, ins. c. Plus appropriate mandatory utility allowance (HLSU, LUSA, MU, TL) d. TOTAL e. 1/2 of Line 6.	Enter gross earned income. Multiply Line 1 by 80% and enter here. Enter unearned income. Add Line 2 and Line 3. Expenses: a. Farm loss offset. b. Enter Standard Deduction. c. Medical costs for elderly/disabled household members: Total Medical \$ 0.00 minus \$35.00 = d. Enter dependent care costs (not to exceed authorized limit). e. Enter child support paid to nonhousehold members. Total Lines 5a thru 5e. Subtract Line 5 from Line 4. Excess shelter costs: a. Rent or mortgage b. Plus property tax, ins. c. Plus appropriate mandatory utility allowance (HLSU, LUSA, MU, TL) d. TOTAL e. 1/2 of Line 6. Subtract Line 7e from Line 7d (up to allowable maximum) Subtract Line 7 from Line 6. (net adjusted income)	Enter gross earned income. Multiply Line 1 by 80% and enter here. Enter unearned income. Add Line 2 and Line 3. Expenses: a. Farm loss offset. b. Enter Standard Deduction. c. Medical costs for elderly/disabled household members: Total Medical § 0.00 minus \$35.00 = d. Enter dependent care costs (not to exceed authorized limit). e. Enter child support paid to nonhousehold members. Total Lines 5a thru 5e. Subtract Line 5 from Line 4. Excess shelter costs: a. Rent or mortgage b. Plus property tax, ins. c. Plus appropriate mandatory utility allowance (HLSU, LUSA, MU, TL) d. TOTAL f. TOTA	Enter gross earned income. Multiply Line 1 by 80% and enter here. Enter unearned income. Add Line 2 and Line 3. Expenses: a. Farm loss offset. b. Enter Standard Deduction. c. Medical costs for elderly/disabled household members: Total Medical \$ 0.00 minus \$35.00 = d. Enter dependent care costs (not to exceed authorized limit). e. Enter child support paid to nonhousehold members. Total Lines 5a thru 5e. \$ Subtract Line 5 from Line 4. Excess shelter costs: a. Rent or mortgage b. Plus property tax, ins. c. Plus appropriate mandatory utility allowance (HLSU, LUSA, MU, TL) d. TOTAL e. 1/2 of Line 6. Subtract Line 7 from Line 7d (up to allowable maximum) Subtract Line 7 from Line 6. (net adjusted income)	Enter gross earned income. Multiply Line 1 by 80% and enter here. Enter unearned income. Add Line 2 and Line 3. Expenses: a. Farm loss offset. b. Enter Standard Deduction. c. Medical costs for elderly/disabled household members: Total Medical § 0.00 minus \$35.00 = d. Enter dependent care costs (not to exceed authorized limit). e. Enter child support paid to nonhousehold members. Total Lines 5a thru 5e. Subtract Line 5 from Line 4. Excess shelter costs: a. Rent or mortgage b. Plus property tax, ins. c. Plus appropriate mandatory utility allowance (HLSU, LUSA, MU, TL) d. TOTAL e. 1/2 of Line 6. Subtract Line 7 from Line 7d (up to allowable maximum) Subtract Line 7 from Line 6. Subtract Line 7 from Line 6.

NOTES/DOCUMENTATION

Household consists of Mom and 2 children (ages 1 & 4). Mom has earned income, pays child care of \$175.00 for 1 yr. old and \$125.00 for 4 yr. old. Moms pays child support to a non-household member of \$250 per month. She pays rent, telephone and electricity (no heating or cooling.)

Household Size: 5

4	NGET V				
1.	Enter gross earned income.		8	1,400.00	1.
2.	Multiply Line 1 by 80% and enter here.		\$	1,120.00	2.
3.	Enter unearned income.		\$	350.00	3.
4.	Add Line 2 and Line 3.		\$	1,470.00	4.
5.	Expenses:				
	a. Farm loss offset.	s 0.00			
	b. Enter Standard Deduction.	§ 153.00			
	c. Medical costs for elderly/disabled household members: Total Medical \$ 0.00 minus \$35.00 =	\$ 0.00			
	d. Enter dependent care costs (not to exceed authorized limit).	\$ 375.00			
	e. Enter child support paid to nonhousehold members.	\$ 100.00			
	Total Lines 5a thru 5e.		\$	628.00	5.
6.	Subtract Line 5 from Line 4.		6	842.00	6.
7.	Excess shelter costs:				
	a. Rent or mortgage	\$ 450.00			
	b. Plus property tax, ins.	\$ 0.00			
	c. Plus appropriate mandatory utility allowance (HLSU, LUSA, MU, TL)	\$ 38.00	-		
	d. TOTAL	\$ 488.00	-		
	e. 1/2 of Line 6.	\$ 421.00			
	Subtract Line 7e from Line 7d (up to allowable maximum)		\$	67.00	7.
8.	Subtract Line 7 from Line 6. (net adjusted income)		6	775.00	8.
9.	Enter Thrifty Food Plan for household size.		\$	592.00	9.
10.	0. Multiply Line 8 by 30%.		\$	232.50	10.
11.	Subtract Line 10 from Line 9 and round down by dro	opping cents.	s	360	11.
12.	Benefits prorated from		х		12.
13.	NET BENEFIT.		\$	360.00	13.

NOTES/DOCUMENTATION

Household consists of Mom, Dad, and 3 children (ages 6,4,1) Dad has earned income of \$900/mo., Mom has child support income of \$350.00 for the 6 year old. Mom also has earned income of \$500/mo. Dad pays \$100/mo. child support to a non household member. Dad pays the rent of \$450 includes all utilities except the telephone) Mom pays day care of \$200 for the 4 year old (allow \$175) and \$250 for the 1 year old (allow 200).

MODULE: REPORTING AND PROCESSING CHANGES – 430-05-65



Objective

Clarify the mandatory reportable changes and reporting requirements.



Module Time

Approximate Time:

1.5 Hour

Notes		

LESSON: Mandatory Reportable Changes



Purpose

Review and identify what elements of eligibility are considered a mandatory reportable change.



eManual References

Reporting Requirements Change Report Form 430-05-65-05 430-05-65-10



Policy

Households are required to report **mandatory changes** within 10 days of the date the change becomes known to the household.

Exception:

Households are required to report a new source of income within 10 days of the household receiving their first check. This applies to both earned and unearned.

Certified households are responsible to report the following mandatory reportable changes:

- Source of income
- Amount of gross monthly unearned income exceeding \$50.

The exception is the TANF grant. This is considered known information and it is the worker's responsibility to be aware of and act on the TANF grant changes.

• Amount of gross monthly earned income of more than \$100

Household composition

Household composition includes all changes that affect the household member's participation. (IN, OU, DD, DF, DI, SH)

Examples:

 Change in student status from eligible to ineligible and vice versa

Such as when the student fails to meet the 20 hour a week work requirement. The participation would change from 'IN' to 'OU'.

- o Convicted of a drug felony
- o Household members moving in or out of the household
- Residence and the resulting change in shelter costs

Client has moved to a new location

- Vehicle ownership
- Countable assets (cash on hand, stocks, bank accounts, etc.) reaching the appropriate asset limit
- Legal obligation to pay child support and the legally obligated amount
- ABAWDS any change in work hours that bring an individual below 20 hours per week averaged monthly.

Change Report Form

The SFN 378 Change Report Form must be provided to all households. This form is automatically provided to newly certified households and at recertification by the system.

A change report form will automatically be sent each month to food stamp fluctuating income cases, when a 'Y' is placed by the change report form indicator on the CHRS screen.

In combination Vision Medicaid and TECS Food Stamp cases, if the monthly change report indicator is set in Vision, the X442 will not be sent. The automatic

mailing of the X442 for fluctuating income cases is linked to the 'Y' on the Change Report Screen (CHRS) in the TECS system.

Special Assistance to Households

The worker must provide assistance to households in completing and filing change report forms if all members:

- 1. Are mentally or physically incapacitated.
- 2. Are non-English speaking.
- 3. Lack reading or writing skills.

Special assistance may include a special telephone number for households to call to report information, home visits by workers (scheduled in advance), or special arrangements for reporting in person at the county.

Action on Reported Changes

The worker must document and act on all reported changes whether or not it affects the benefit.

If the household reports a change or the worker becomes aware of a change that clearly indicates the household is ineligible, the worker must send the appropriate advance notice to close the case.

Other changes must be acted on using the procedures explained in the following lessons.

Notes

EXERCISE: One - Reporting and Processing Changes - True or False?



- 1. Households are required to report a new source of income (earned or unearned) within 10 days of receiving their first check. T or F?
- 2. Households are responsible to report a change in the gross monthly unearned income exceeding \$50. T or F?
- 3. The above change in unearned income also includes changes in the TANF grant. T or F?
- 4. A change in household composition is a mandatory reportable change.

 T or F?
- 5. Households are responsible to report a change in the amount of gross monthly earned income of more than \$100. T or F?
- 6. Households are responsible to report a change in work hours for an ABAWD if his/her averaged monthly hours fall below 20 per week. T or F?
- 7. The change report form SFN 378 is automatically sent each month on all FS cases. T or F? Only if the indicator is set in TECS on CHRS.
- 8. Households are not mandated to use the change report form to report changes. T or F?
- 9. The worker must document reported changes only if it affects the amount of benefits. T or F?
- 10. Households are responsible to report a change in shelter costs if they have not moved. T or F?

LESSON: Changes Resulting in an Increase in Benefits.



Purpose

Review policy to correctly process a reported change that would result in an increase in benefits.



eManual References

Changes Resulting in an Increase in Benefits

430-05-65-15-05



Policy

Any change that results in an increase in benefits **must be verified**. When verification is not provided, F442 – Request for Additional Information must be sent allowing the household 10 days from the mail date of the notice to verify the reported change.

- 1. If the household provides verification within the 10 day period, the worker must act on the reported change within 10 days and send the household the appropriate notice.
- 2. If the household does not provide the verification within the 10 day period, the worker will receive an (automatic) alert to send the F401 Failure to Provide Information. If the 10th day falls on a weekend or holiday, the F401 must not be sent until the next working day.
 - a. If it is prior to advance notice deadline, the F401 must be sent and the case will close at the end of the month.
 - b. If it is after advance notice deadline, the F401 cannot be sent until the first working day of the following month. Benefits for the last month of the certification period are authorized the same as the previous month.

Exceptions:

- 1. If the last month of the certification period includes an extra check or if the second to the last month included an extra check, this change must be acted on for the last month of the certification period as it is considered known information to the agency.
- 2. If the household has reported a change in expenses that results in an increase in benefits and fails to provide verification of the expense, the expense is not allowed and the case is not closed.
- 3. If the household provides the verification during the advance notice period, the worker has 10 days from the date the verification was provided to act and the case must not be closed.

Examples:

1. On July 5, a household reports a decrease in the number of hours of employment per week from 25 hours to 20. The worker must send F442 giving the household until July 15 to provide verification.

If the household does not provide the verification by July 15, the worker will receive an alert to send the F401. Since it is prior to advance notice deadline, the worker must send the F401 and the case will close at the end of the July.

If the household provides the verification anytime after July 15 or before August 1, the worker has 10 days to act on the change and the case cannot close the end of July.

2. On July 25, a household reports a decrease in the number of hours of employment per week from 35 hours to 20 hours. The worker must send F442 giving the household until August 4 to provide verification.

If the household provides the verification by August 4, the worker must act on the reported change to affect September benefits. Additionally, a supplement must be issued for August (\$50 decrease in gross monthly income).

If the household does not provide the verification by August 4, the worker will receive an alert to send the F401 for failure to provide information. Since it is prior to advance notice deadline the worker must send the F401 and the case will close August 31.

If the household provides the verification anytime after August 4 (before September 1) the worker has 10 days to act on the change and the case cannot be closed August 31.

- 3. Household reports an increase in rent and they have not moved. The worker sends F442 allowing the household 10 days from the mail date to provide verification of the new rent amount. The household fails to provide verification of the new rent amount. No rent expense is allowed and the case is not closed.
- 4. Household reports an increase in child care costs. The worker sends F442 allowing the household 10 days from the mail date to provide verification of the new child care expense. The household fails to provide verification of the new amount. No child care costs are allowed and the case is not closed.
- 5. Household reports a change of address. The worker sends F442 allowing the household 10 days from the mail date to provide verification of residence and the new shelter expenses.
 - a. If the household fails to respond to F442, the worker will receive an alert to send the F401. The worker must send the F401 and the case will close for failure to provide information.
 - b. If the household responds and provides verification of residence only, no shelter costs are allowed and the case is not closed.
 - c. If the household responds and provides verification of residence and shelter costs, the shelter costs are allowed as an expense and the case is not closed
- 4. If a household reports multiple changes, the worker must act on all verified information. The information that was reported but not verified is not acted on for the last month of the certification period.

LESSON: Changes Resulting in a Decrease in Benefits



Purpose

Review the policy to correctly process a reported change that would result in a decrease in benefits.



eManual References

Changes Resulting in a Decrease in Benefits

430-05-65-15-10



Policy

Any change reported by the household that results in a decrease in benefits must be acted on without verification. Verification must be provided no later than the next recertification.

Exception:

Changes in the source of income must be verified.

The reported change must be acted on within 10 days from the date the change was reported and a 10-day advance notice must be sent. If the change is reported in writing and signed by the household, a 10-day advance notice is not required. Adequate notice is required.

Examples:

1. An individual reports starting a new job and provides verification of the number of hours, pay dates, hourly wage and when the first paycheck will be received. The worker has 10 days to act on this change and must allow for a 10-day advance notice. If the information was provided in writing and signed by the household, a 10-day advance notice is not required; however, an adequate

notice is. If the household is not change reporting, the change reporting indicator on the CHRS screen in TECS must be set.

2. On July 5 an individual reports a new job, provides the first pay stub and no other information. The worker must send notice F442 allowing the household 10 days from the mail date to provide the information needed (number of hours they will work, pay dates and hourly wage). If the household is not change reporting, the change report indicator on the CHRS screen in TECS must be set.

If the household provides the verification by July 15, the worker must act on the reported change to affect August benefits.

If the household does not provide the verification by July 15 the worker will receive an alert to send the F401. Since it is prior to advance notice deadline the worker must send the F401 for failure to provide information. The case will close at the end of July.

If the household provides the verification anytime after July 15 (before August 1) the worker has 10 days to act on the change and the case cannot be closed July 31.

3. A household reports a decrease in rent and they have not moved. If the change will result in a decrease in benefits, the decreased rent must be used without verification. Verification of the decreased rent must be provided no later than the next recertification.

Notes

EXERCISE: One - Reporting and Processing Changes - Fill In the Blanks



- 1. All changes reported by the household that result in an increase in benefits must be verified.
- 2. The <u>F442 Request for Additional Information</u> must be sent when verification of a reported change is not provided.
- 3. The household has <u>10</u> days from the <u>mail date</u> of the notice to verify the reported change.
- 4. Any change reported by the household that results in a decrease in benefits must be acted on without verification. Verification is provided no later than the next recertification.
- 5. What is the exception to number 4 above? Changes in the source of income.
- 6. If verification is not provided within 10 days and it is after advance notice deadline line when is the F401 Failure to Provide Information sent? The first working day of the following month
- 7. If the closing notice cannot be sent for the current month the benefits for the last month of the certification period are authorized the same as the previous month.
- 8. What are the exceptions to the answer to number 7 above?
 - a. The last month includes an extra check or if the second to the last month included an extra check. The conversion to or from the extra check must be completed by advance notice deadline.
 - b. The household has reported a change in expenses that results in an increase in benefits and fails to verify, no expense is allowed and case remains open.

LESSON: Unclear or Insufficient Information to Make a Benefit Decision



Purpose

Review the policy to correctly process a case when unclear or insufficient information exists.



eManual References

Unclear Or Insufficient Information

To Make A Benefit Determination

430-05-65-15-15



Policy

Whenever a worker receives unclear or insufficient information from a household or the worker becomes aware of a change, the worker must pursue clarification and verification of household circumstances using the following procedures:

- 1. The worker must send F442 to the household clearly advising the household of the verification it must provide or the actions it must take to clarify its circumstances. The household must be allowed 10 days from the mailing date of F442 to respond and to clarify its circumstances either by telephone or by correspondence.
- 2. If the household responds and provides sufficient information/verification, the worker has 10 days to act on the change and send the household the appropriate notice.
- 3. If the household fails to provide sufficient information/verification within the 10-day period, the worker will receive an alert to send the F401. If the 10th day falls on a weekend or holiday, the F401 cannot be sent until the next working day.

- a. If the household fails to provide sufficient information/verification regarding expense(s), the F401 is not sent and benefits are authorized without the unverified expense(s).
- b. If the household fails to provide sufficient information/verification other than expenses and it is prior to advance notice deadline the F401 must be sent and the case will close at the end of the month.
- c. If the household fails to provide sufficient information/verification other than expenses and it is after advance notice deadline, the F401 cannot be sent until the first working day of the following month. Benefits for the last month of the certification period are authorized the same as the previous month.

Exception:

If the last month of the certification period includes an extra check or if the second to the last month included an extra check, this change must be acted on for the last month of the certification period as it is considered known information to the agency.

Notes

LESSON: Adding and Removing a Household Member



Purpose

Review the policy and correct procedure for increasing or decreasing the household size.



eManual References

Adding a New Household Member Removing a Household Member

430-05-65-20 430-05-65-25



Policy

When adding a new household member to an ongoing food stamp case, the individual is processed as a new applicant. The mandatory verifications apply to the new individual. If the individual being added has received food stamp benefits in another household, state, or through the Food Distribution Program, the individual cannot be added.

Exception:

Initial application proration does not apply to the individual being added to the household.

If the household does not provide the mandatory verifications needed to add the individual, F442 is sent allowing the household 10 days from the mail date to provide the information needed.

If the household provides the mandatory verifications needed to add the individual within 10-days from the mail date and it results in an increase in benefits, the individual must be added to the household for the next benefit month. If because of when the change is reported, the 10-day timeframe extends into the next benefit month, a supplement must be issued.

If the household provides the mandatory verifications needed to add the individual and it results in a decrease in benefits, the worker must issue a 10-day advance notice unless this change was reported in writing and signed by the household. If the worker does not have 10-days for the 10-day advance notice, the individual is not added for the next benefit month, but must be added the month following the expiration of the 10-day advance notice.

If the household does not respond to the F442 within the 10 days from the mail date, the worker will receive an alert to send the F401. If it is prior to advance notice deadline, the F401 must be sent and the case will close at the end of that month. If it is after advance notice deadline, the F401 cannot be sent until the first working day of the following month. Benefits for the last month of the certification period are authorized the same as the previous month.

Exception:

If the last month of the certification period includes an extra check or if the second to the last month included an extra check, this change must be acted on for the last month of the certification period as it is considered known information to the agency.

If the household provides the verification anytime prior to case closing, the worker has 10 days to act on the change and the case cannot be closed.

Removing a Household Member

When a household reports that an individual has left, the individual must be removed.

If removing the individual results in an increase in benefits, client statement is acceptable verification, unless questionable. The worker must process the change timely.

If removing the individual results in a decrease in benefits, a 10-day advance notice is needed unless the change is reported in writing and signed by the household. If the worker does not have 10-days for the 10-day advance notice, the individual is not removed for the next benefit month, but must be removed for the month following the expiration of the 10-day advance notice.

LESSON: Household Moves to a New County Within the State



Purpose

Review the policy and correct procedure to follow when the worker is notified the household is moving to a new county.



eManual References

Household Moves to a New County Within the State

430-05-65-30



Policy

When the worker has information indicating a household has moved to a new county and verification has not been provided, the worker from the county the household is moving **from** must send F442 requesting any verifications including residency, new shelter costs and income. The household has 10 days starting with the date the F442 is mailed in the system to provide the verification.

- If the household provides the verifications, benefits are authorized using the verified information.
- If the household fails to provide the verifications the worker will receive an alert to send the F401. If it is prior to advance notice deadline the F401 must be sent and the case will close at the end of the month. If it is after advance notice deadline the F401 cannot be sent until the first working day of the following month. Benefits for the last month of the certification period are authorized using the income from the previous month only. No shelter costs are allowed.

Prior to transferring the case the worker must complete the following in order: However, the sending and receiving county must take into consideration what is in the best interest of the household.

- 1. Authorize benefits.
- 2. Work any IEVS or case alerts.
- 3. Complete any outstanding claims.
- 4. Ensure that any cash payments on claims received by the worker are submitted to Finance.
- 5. Review the file to ensure the mandatory verifications are included.
- 6. Update narrative.
- 7. Change the address.
- 8. Send notice F817 Notice to Client Case File Transfer.
- 9. Transfer the case in the TECS system using the CARC screen.
- 10. Complete SFN 700 Case Transfer Log.

Notes

EXERCISE: One - Reporting and Processing Changes - True or False?



- 1. When adding a new household member to an ongoing case all the mandatory verifications must be obtained. T or F?
- 2. The addition of the new household member results in a decrease in benefits. The worker must issue a 10-day advance notice if the change was reported in writing and signed by the household. T or F?
- 3. When the household reports an individual has left, they must be removed from the case. T or F?
- 4. If removing an individual results in an increase in benefits client statement is acceptable verification if not questionable. T or F?
- 5. If removing an individual results in a decrease in benefits a 10-day advance notice is always required. T or F?
- 6. When the worker receives information that a household has moved to a new county and verifications were not provided, the worker from the county the household moved <u>from</u> must send the F442 requesting verification of residency, new shelter costs and income. T or F?
- 7. If a household fails to provide the requested verifications within 10 days and it is after advance notice deadline, benefits for the last month of the certification period are authorized using only income from the previous month. T or F? no shelter costs are allowed
- 8. The only actions the worker has to complete is to transfer the case. T or F? Must complete list of 10 items to ensure benefit authorized, alerts worked, file is updated and correct notices have been sent.

LESSON: TANF Information and Referral Services



Purpose

Review the policy to correctly process the case when IEVS indicates unreported assets



eManual References

TANF Information and Referral Services

430-05-65-35



Policy

If during the certification period a worker becomes aware through an IEVS alert that the household has assets that had not been reported, the worker must send notice F902 - IEVS Asset Verification to the household.

If the household responds and provides the requested verification, the case continues and the worker acts on the verification as may be appropriate.

If the household fails to respond to the IEVS notice (F902) or contacts the worker and refuses to provide the requested information, and it is **on or before advance notice deadline** the worker must send the F401 for failure to provide information, along with F440 – Closure TANF I & R Services and the case will close at the end of the month. If it is **after advance notice deadline** the worker cannot send the F401 or the F440 until the first working day of the following month. Benefits for the last month of the certification period are authorized the same as the previous month.

Exception:

If the last month of the certification period includes an extra check or if the second to the last month included an extra check, this change must be acted on for the last month of the certification period as it is considered known information to the agency.

If the worker becomes aware of unreported assets from a source other than IEVS, the F442 must be sent. The household has 10 days from the date this notice is mailed to provide the requested information. If the household fails to provide the verification the worker will receive an alert to send the F401. If it is **on or before advance notice deadline** the worker must send the F401 along with F440 – Closure TANF I & R Services and the case will close at the end of the month. If it is **after advance notice deadline** the worker cannot send the F401 or the F440 until the first working day of the following month. Benefits for the last month of the certification period are authorized the same as the previous month.

Exception:

If the last month of the certification period includes an extra check or if the second to the last month included an extra check, this change must be acted on for the last month of the certification period as it is considered known information to the agency.

Notes

LESSON: TANF Households



Purpose

Review of policy to correctly processs changes in combination TANF and FS cases.



eManual References

TANF Households

430-05-65-40



Policy

TANF households are subject to monthly reporting requirements. When a household has not submitted a TANF monthly report by the second to the last working day of the month, the TANF grant must not be counted prospectively to determine food stamp benefits.

Exception:

If there is a two-month known history of late reporting for TANF.

If a change is made to the TANF case after authorizing food stamps and it results in the TANF case closing, the worker must revert TANF to close and reauthorize the food stamp case as the household is no longer considered categorically eligible.

A worker must not terminate a household's food stamp benefits solely because the TANF case has closed. The worker must make a separate determination that the household fails to satisfy the food stamp eligibility requirements.

Whenever a change results in the reduction or termination of a household's TANF benefits within the household's food stamp certification period, the worker must use the following procedures:

- 1. If a change in household circumstances requires a reduction or termination in the TANF grant and the worker **has sufficient information** to determine how the change affects the household's food stamp eligibility and benefit level, the worker must take the following actions:
 - a. If the change requires a reduction or termination of food stamp benefits, the worker must issue a single advance notice for both the TANF and food stamp actions. If the household requests a fair hearing within the period provided by the advance notice, the worker must continue the household's food stamp benefits on the basis authorized immediately prior to sending the advance notice.

If a fair hearing is requested for both programs, the hearing must be conducted according to TANF procedures and timeliness standards.

If the food stamp certification period expires before the fair hearing process is completed, the household must reapply for food stamp benefits.

If the household does not appeal, the worker must make the change effective based on the advance notice.

b. If the change will result in an increase in benefits as a result of the reduction or termination of the TANF grant, the worker must issue the TANF advance notice, but must not take any action to increase the household's food stamp benefits until the household decides whether it will appeal the TANF advance notice.

If the household appeals and the TANF grant is continued, the household's food stamp benefits must continue at the previous level.

If the household does not appeal, the worker must act on the change. The time limit for the worker to act on this increase must be calculated from the date the TANF advance notice period expires.

c. Whenever a change results in the termination of the TANF grant and the worker **does not have sufficient information** to determine how the change affects food stamp eligibility and benefit level (such as an absent parent returning to the household and the household requested to have its TANF case closed without providing any information on the income of the new household member), the worker must take the following action:

- 1. If the situation requires a reduction or termination of the TANF grant, the worker must issue F442 at the same time it sends a TANF advance notice giving the household 10 days from the mail date to provide the needed information. Before taking further action, the worker must wait until the TANF advance notice period expires, or until the household requests a fair hearing, whichever occurs first.
- 2. If the household requests a fair hearing and elects to have the TANF grant continue pending the appeal, the worker must continue food stamp benefits at the same level.
- 3. If the household does not request a fair hearing and continuation of the TANF grant and provides the information requested, the worker has 10 days to act on the change.
- 4. If the household does not request a fair hearing and continuation of the TANF grant and fails to provide the information, the worker will receive an alert to send the F401 for failure to provide information.

If it is prior to advance notice deadline the worker must send the F401 and the case will close at the end of the month.

If it is after advance notice deadline the worker cannot send the F401 until the first of the month and benefits for the last month of the certification period are authorized the same as the previous month.

Exception:

If the last month of the certification period includes an extra check or if the second to the last month included an extra check, this change must be acted on for the last month of the certification period as it is considered known information to the agency.

If the household provides the requested information anytime during the advance notice period, the information must be acted on within 10 days and the case cannot be closed.

5. If the **situation does not require a TANF advance notice**, the worker must send F442 giving the household 10 days from the mail date to provide the needed information. If the household provides the requested information within the 10 days, the worker has 10 days to act on the information.

If the household fails to provide the requested information the worker will receive an alert to send the F401.

If it is prior to advance notice deadline the worker must send the F401 and the case will close at the end of the month.

If it is after advance notice deadline the worker cannot send the F401 until the first of the month. Benefits for the last month of the certification period are authorized the same as the previous month.

Exception:

If the last month of the certification period includes an extra check or if the second to the last month included an extra check, this change must be acted on for the last month of the certification period as it is considered known information to the agency.

If the household provides the requested information anytime during the advance notice period, the information must be acted on within 10 days and the case cannot be closed.

Notes

LESSON: Miscellaneous Monthly Changes and Actions



Purpose

Review policy on several miscellaneous monthly changes and case actions.



eManual References

Case Closing Zero Benefit	430-05-65-45
Case Suspension	430-05-65-50
Action on Changes Reported by Source Other than the	
Household	430-05-65-55
Failure to Report	430-05-65-60
Mass Changes	430-05-65-65
Refusal to Cooperate with Quality Control	430-05-65-70



Policy

Case Closing Zero Benefit

When a household's net income exceeds the level at which benefits are provided, the worker must close the case using Notice F443 – Zero Benefit Closure.

In these cases all of the income and grant tests on FSED will show as PASS but the income is at the level at which no dollar amount in benefits is issued. FSBD will display a message at the bottom of the screen that states 'is eligible – zero benefit'. (When it exceeds the Thrifty Food Plan.)

Case Suspension

A case is suspended when there is an extra check from a recurring source and ineligibility is expected to last **for only one month**.

Action on Changes Reported by Source Other than the Household

Any change reported from a source other than the household must be acted on by sending the F442. The household has 10 days from the mailing date to respond and provide the requested information. If the household provides the requested information within 10 days, the worker has 10 days to act on the information.

If the household fails to respond or refuses to provide the requested information within 10 days, the worker will receive an alert to send the F401.

If it is prior to advance notice deadline the worker must send the F401 and the case will close at the end of the month.

If it is after advance notice deadline the worker cannot send the F401 until the first of the following month. Benefits for the last month of the certification period are authorized the same as the previous month.

Exception:

If the last month of the certification period includes an extra check or if the second to the last month included an extra check, this change must be acted on for the last month of the certification period as it is considered known information to the agency.

If the household provides the requested information anytime during the advance notice period, the information must be acted on within 10 days and the case cannot be closed.

Exception:

Medical expenses that are reported from a source other than the household during the certification period must not be acted on if the worker must contact the household for verification.

Example:

A niece calls to report that her aunt who is on food stamps is paying \$60 a month for prescriptions. The worker is prohibited from contacting the aunt.

The worker must act on changes in medical expenses that it learns about from a source other than the household if those changes do not require contact with the household.

Examples:

- 1. In a combination FS/MA case if the entire recipient liability is being allowed as a medical expense deduction and it changes, change the amount allowed as an expense for food stamp purposes based on the new recipient liability.
- 2. The annual increase in Medicare premiums.

Exception:

In combination FS/MA cases when processing the cost of living adjustment changes in December of each year, if the recipient liability is being averaged, do not change the amount allowed as a medical expense deduction for food stamp purposes. When the household is recertified, reaverage using the new recipient liability.

Failure to Report

Claims can be established and IPV pursued only for mandatory reportable changes.

Example:

A household is not required to report a change in rent during the certification period if the household has not moved. A claim is not established if a change in rent is not reported.

If the worker discovers that a household failed to report a change that would have caused a reduction in food stamp benefits, a claim is prepared against the household based on 10-10-10. A 10-day advance notice must be issued if the household's benefits are reduced during the certification period. If the worker is unable to act on the change, F442 must be sent.

If the household does not respond to the F442 within 10 days from the mail date, the worker will receive an alert to send the F401.

If it is prior to advance notice deadline the worker must send the F401 and the case will close at the end of the month.

If it is after advance notice deadline the worker cannot send the F401 until the first of the following month. Benefits for the last month of the certification period are authorized the same as the previous month.

Exception:

If the last month of the certification period includes an extra check or if the second to the last month included an extra check, this change must be acted on for the last month of the certification period as it is considered known information to the agency.

If the household provides the requested information anytime during the advance notice period, the information must be acted on within 10 days and the case cannot be closed.

A disqualification is implemented only after IPV procedures and finding.

Mass Changes

Mass changes are government initiated changes affecting significant portions of the caseload. Mass changes include:

- 1. Annual adjustments to <u>income eligibility standards</u>.
- 2. Annual adjustments to the Thrifty Food Plan and shelter deductions.
- 3. Annual adjustments to the utility standards.
- 4. SSI/SSA benefit adjustments.
- 5. Adjustments to TANF.
- 6. Adjustments to the Child Care Assistance Program.
- 7. Other changes in the eligibility criteria based on legislative or regulatory action.
- 8. Periodic cost of living adjustments to other federal benefits.

A 10-day advance notice is not required. Adequate notice is required.

Refusal to Cooperate with Quality Control

Household cooperation with Quality Control is a requirement for eligibility. If a household refuses to cooperate, Quality Control will notify the worker. The worker must terminate the household's eligibility following the 10-day advance notice period. The household may reapply, but is not eligible until it cooperates with Quality Control.

If a household reapplies 95 days after the end of the annual quality control review period (January 3rd of each year), the household must not be denied for refusal to cooperate, but it must provide all mandatory verifications before it can again be certified. Quality Control will notify workers of the earliest date a household can be eligible.

Notes

LESSON: Adequate and Advance Notification Timeframes



Purpose

Review policy to apply the correct notification timeframes.



eManual References

Adequate Notice 10-Day Advance Notice 430-05-65-75 430-05-65-80



Policy

Adequate Notice

A household must receive adequate notice no later than the date the household receives or would have received its next benefit allotment. Adequate notice must be sent by the second to the last working day of the month. (To do so, the case must be worked by the third to the last working day of the month.)

Adequate notice is required anytime information and verification is provided and signed by the household.

An adequate notice is required for the following changes:

- 1. When **verification is received from the household** and meets the following conditions:
 - a. Information is **reported in writing and signed by a responsible adult household member**, resulting in the reduction or termination of benefits, and
 - b. The worker can determine the household's allotment or ineligibility based solely on the information provided by the household.

Examples of Signed Verifications:

- Change report form
- Signed application for TANF, Medicaid, Child Care Assistance, or LIHEAP.
- Check stubs with household's signature.
- A child care form reporting a change with the household's signature with pay stubs attached.
- The cover sheet of a fax that contains the client's signature.

Exception:

A handwritten return address on an envelope is not considered a signature.

2. **Case closure - household request**. The request must be made in writing by a household or in the presence of the worker and documented. Notice F414 - Closure-Client Request must be sent to the household confirming the request. The household can request a fair hearing.

If the request is made by telephone, a 10-day advance notice is required.

- 3. **Mass changes** for adjustments to eligibility standards, benefits, deductions, utility standards grant adjustments, and changes in federal benefits. The State Office provides mass media notices.
- 4. Death of all household members.
- 5. When the **household's address is unknown** and mail directed to it has been returned to the post office indicating no known forwarding address.
- 6. When it is reliably determined that a household has moved out-of-state.
- 7. When the only individual in the household **moves out of the county** and enters into one of the following:
 - a. Long Term Care
 - b. Basic Care
 - c. Public Institution

Exception:

If an individual moves into one of the facilities listed above within the county, a 10-day advance notice is required.

- 8. **Completion of an underpayment**. When a household is entitled to an underpayment and has chosen monthly installments instead of a lump sum, and the household was previously notified in writing when the monthly installments would terminate.
- 9. **Joint TANF/Food Stamp application** results in the receipt of food stamps pending TANF grant approval and household is notified at the time of certification that food stamp benefits would be reduced upon receipt of a grant.
- 10. When a member of the household is **disqualified for IPV** and benefits of the remaining members are reduced or terminated.
- 11. Changing a household from cash repayment to allotment reduction as a result of failure to make the agreed payments.
- 12. An individual in a **treatment center or group home** that loses its authorization or certification or has its status as an authorized representative suspended.

Residents of group living arrangements applying on their own behalf are still eligible to participate.

13. **Benefits which fluctuate** from month to month within the certification period to take into account changes which were anticipated at the time of certification, and the household was notified of the fluctuations at the time of certification. This provision is not used in North Dakota.

10-Day Advance Notice

When there is a reduction or termination of benefits within a certification period, a 10-day advance notice must be sent to the household, unless changes are reported in writing and signed by the household.

The written notice must contain the following:

- 1. Action taken or intended.
- 2. Reason for the intended action
- 3. Household's right to request a fair hearing.

- 4. Name and phone number of a person to contact for additional information.
- 5. Availability of continued benefits.
- 6. Household liability for any overissuance received pending a fair hearing decision when the decision is adverse to the household.

Notices sent through TECS informing the household of the reduction or termination of benefits show the benefit calculation and reason.

If a 10-day advance notice to reduce benefits is sent to a household and later that same month the household reports a change that results in an additional decrease in benefits, another 10-day advance notice is required.

Example:

A household received \$300 for the benefit month of December. On December 10, the case is processed for January and a 10-day advance notice is sent to the household as January benefits decreased to \$250. On December 22, the household reports and verifies a change that results in an additional decrease in the January benefit to \$200.

The 10-day advance notice sent on December 10 only addresses the reduction to \$250. Another 10-day advance notice is required to decrease benefits to \$200. Since it is past advance notice deadline, this change cannot be made for January benefits. The change must be made for the benefit month of February.

If a household has been sent a 10-day advance notice to reduce, suspend, or terminate benefits and later that same month reports a change that results in the household receiving a benefit or an increase in benefits, a 10-day advance notice is not required.

Example:

A household received \$400 for the benefit month of December. On December 5, F442 is sent to the household asking for additional information/verification based on a change reported by the household. The household fails to provide the information by December 15. F401 is sent to the household advising that the case will close on December 31. On December 23, the household provides the requested information and is eligible for a \$200 benefit for January. A 10-day advance notice is not required.

EXERCISE: One - Reporting Changes - True or False?



- 1. Adequate notice is required anytime information and verification is provided and signed by the household. T or F?
- 2. A handwritten return address on an envelope is considered a signature. T or F?
- 3. Changes or case closures resulting from client request, mass changes, death of all household members, address unknown or when it is reliably determined the household has moved out of state are some examples of when a case can be processed using an adequate notice. T or F?
- 4. A reduction or termination of benefits within the certification period does not require a 10-day advance notice if changes were not reported in writing and signed by the household. T or F?
- 5. An advance notice must contain the action taken, reason for the action, the household's right to request a fair hearing, name and phone number of person to contact for further information, availability of continued benefits and households liability for any overissuance received pending a fair hearing decision when the decision is adverse to the household. T or F?
- 6. If a 10-day advance notice to reduce benefits is sent and later that same month the household reports a change that results in an additional decrease in benefits, another 10-day advance notice is required. (If not reported in writing and signed by the household) T or F?

MODULE: FAIR HEARING – 430-05-70



Objective

Explain the policy and procedures regarding fair hearings.



Module Time

Approximate Time

30 Minutes

Notes

LESSON: Fair Hearings



Purpose

Explain the policy regarding fair hearings.



eManual References

Notification of Rights to Request a Fair Hearing Request for a Fair Hearing

430-05-70-05 430-05-70-10



Policy

At the time of application, each household must be informed in writing of their right to a fair hearing, the procedures involved with the request, and the availability of free legal representation.

A household that disagrees with a county action must be advised of the right to request a fair hearing. The notification of the right to request a fair hearing is on the back of all TECS notices sent to households.

A household who is denied benefits or whose benefits have been reduced, suspended or terminated has the right to a fair hearing. This includes:

- The denial of a request for restored benefits which were lost more than 90 days prior, but less than a year, from the household's request, or
- When a household disputes its current level of benefits at any time during the certification period.

Exception:

When a household has benefits reduced, suspended or terminated as a result of an order issued by Food and Nutrition Services, a fair hearing must be provided if the household believes the benefit level was computed incorrectly or that the provisions of the order were misinterpreted. A fair hearing will be denied to any household disputing the fact that a reduction, suspension, or termination was ordered.

Households DO NOT have a right to continuation of benefits pending a fair hearing when appealing the order issued by Food and Nutrition Services. The household may receive retroactive benefits in an appropriate amount if it is determined that benefits were reduced by more than the amount the county was directed to make.

- A household has 90 days from the date the notice is mailed to request a fair hearing.
- A request for a hearing may be either oral or written and made by the household or its authorized representative. The date of any oral request must be documented in the file.
- If the household's request is unclear, the worker may request the household clarify the grievance.
- The freedom of the household to make a request for a hearing must not be limited or interfered with in any way.

Notes

LESSON: County Responsibilities on Hearing Requests



Purpose

Explain the policy relating to county responsibilities on hearing requests.



eManual References

County Responsibilities on Hearing Requests	430-05-70-15
Denial or Dismissal of Request for Hearing	430-05-70-20
Continuation of Benefits	430-05-70-25
County Conferences	430-05-70-30
Timely Action on Hearings	430-05-70-35
Household Requests for Postponement	430-05-70-40



Policy

The county is responsible to make available, **without charge**, the specific materials necessary for a household or its representative to determine whether a hearing should be requested, or to prepare for a hearing.

If the individual making the request speaks a language other than English and the county is required to provide bilingual staff or interpreters, the county must make certain that the hearing procedures are verbally explained in that person's language.

The county must also assist a household with its hearing request if the household makes such a request. If the request is an oral request, the county must complete the procedures necessary to start the hearing process without requiring the household to provide the request in writing.

All households must be advised of any legal services available to assist them with the fair hearing. The worker must provide the household with SFN 1087 – Legal Service Organizations.

The county must send the hearing request to the State Appeals Supervisor within five days. The household's grievance, the county's action, the basis for the action, and all documentation must be sent to the State Appeals Supervisor with the hearing request or as soon as available.

If the county becomes aware that a household plans to move from the State before a fair hearing decision would normally be reached, the county must expedite the hearing request to ensure the household receives a decision and restoration of lost benefits and the hearing must be processed faster than others, if necessary, to allow a decision before the household leaves the area.

A request for hearing may be denied or dismissed by the appeals supervisor if:

- The request is not received within the allowed time period.
- The household or its representative withdraws the request in writing.
- The household or its representative fails to appear at the scheduled hearing.

If the request for hearing is made timely and the household's certification period has not expired, the household's participation in the program must be continued on the basis authorized immediately prior to the notice of adverse action unless the household specifically waives continuation of benefits.

Once benefits have been continued or reinstated, they must not be reduced or terminated prior to the receipt of the official hearing decision unless:

- The certification period expires. The household has the right to reapply and eligibility is determined for a new certification period with a new benefit amount.
- The hearing official makes a preliminary determination, in writing and at the hearing, that the household's claim that the worker improperly computed the benefit, misinterpreted or misapplied federal law or the federal regulation is invalid.
- A new change affecting the household's eligibility or benefit occurs while
 the hearing decision is pending. The worker sends the household a 10-day
 advance notice for the new change and the household fails to request a
 hearing.

• A mass change affecting the household's eligibility or benefit occurs while the hearing decision is pending.

The worker must promptly inform the household in writing if benefits are reduced or terminated pending the hearing decision.

If benefits are continued and the action taken by the worker is upheld by the hearing decision, a claim against the household must be established for all over-issuances from the date the adverse action would have been applied.

If the request for hearing is **not made timely**, benefits must be reduced or terminated, as stated in the 10-day advance notice. If the household is able to show good cause for filing a late request, benefits must be reinstated at the benefit level prior to the 10-day advance notice.

Example:

A 10-day advance notice to terminate benefits is sent to the household on September 10. The household must request a fair hearing by September 20. If the household has not requested a hearing by September 20, benefits are not continued.

A household wishing to contest denial of expedited services must be offered a conference. The household must be informed that the use of the conference is optional and that it does not delay or replace the fair hearing process.

The conference for households contesting denial of expedited services must be scheduled within two working days, unless the household requests a later conference date or that they do not wish to have an agency conference.

A county conference may result in an informal resolution of the dispute, however, unless the household withdraws its request for a hearing in writing, the hearing must be held.

The county may choose to offer conferences to any household adversely affected by county actions.

An eligibility supervisor and/or county director as well as the household or representative must attend the conference. The worker involved in the case may also attend.

When a household timely requests a fair hearing, the State has 60 days to ensure:

- The hearing is conducted.
- A decision is reached.

• The household and county are notified of the decision.

When a decision results in a decrease of benefits, the decrease must be reflected with the next scheduled issuance, following receipt of the hearing decision. Claims must be established for any overissuance that resulted from the continued benefits.

When a decision results in an increase of benefits, the benefits must be issued within 10 days of receipt of the hearing decision.

Exception:

The worker may take longer than 10 days to make the decision effective if it elects to use the household's normal issuance cycle, provided that the issuance will occur within 60 days from the household's request for hearing.

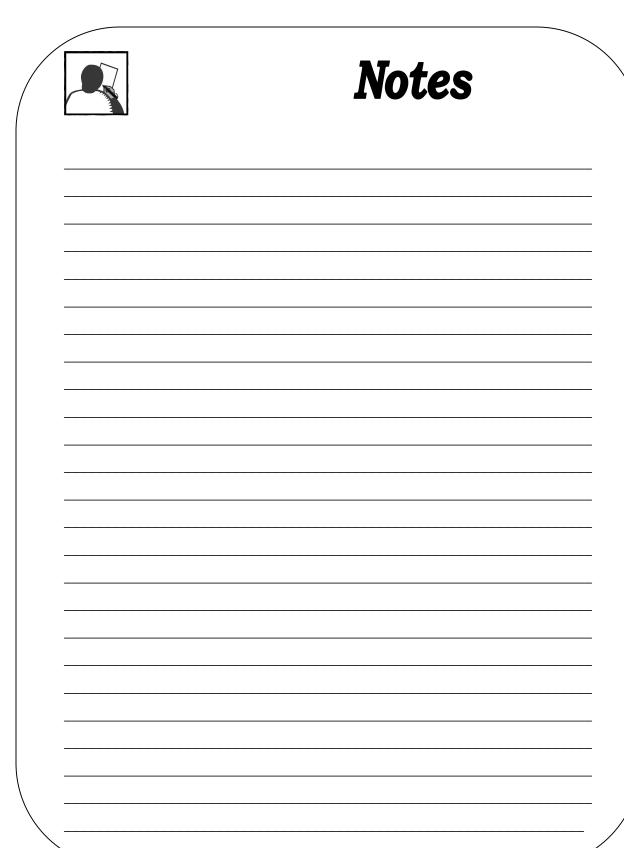
A household is entitled to request and receive a postponement of the scheduled hearing.

The length of the postponement must not exceed 30 days. The time limit for a decision is extended for as many days as the hearing is **postponed.**

Example:

A decision from the appeals officer is mandated within 60 days, however, if a 10-day postponement is allowed, the decision is required within 70 days.

Notes



EXERCISE: One - Hearings



Please fill in the blanks for the following statements:

- 1. At the time of application, each household **must** be informed in writing of their right to a fair hearing, the procedures involved and the **availability** of free legal representation.
- 2. A household has 90 days from the date the notice is mailed to request a fair hearing.
- 3. A request for a fair hearing may be made either orally or in writing.
- 4. The **county** must assist a **household** with its request if the household **asks** for assistance.
- 5. The county must send the hearing request to the Appeals Supervisor within five days.
- 6. If the household's certification period has **not** expired and the request for hearing is **timely**, the household's **participation** in the program must continue on the basis authorized **immediately** prior to the notice of adverse action **unless** the household specifically waives continuation of benefits.
- 7. If benefits are **continued** and the action taken by the worker is **upheld** by the hearing decision, a **claim** must be established for all **overissuances** from the date the advance notice would have applied.
- 8. A household wishing to contest a denial of expedite services must be offered a conference within two working days.
- 9. The **household** or its representative and the **eligibility** supervisor or county director **must** attend this conference. The **worker** may also attend.
- 10. When a household **timely** requests a fair hearing, the State has 60 days to conduct the **hearing**, reach a decision and **notify** the household and county of the decision.
- 11. If the hearing request is not made timely, within 10 days of the advance notice to reduce or terminate benefits, benefits must be reduced or terminated.

- 12. When a decision results in a decrease in benefits, it must be reflected with the next scheduled issuance following receipt of the hearing decision.
- 13. When a decision results in an increase in benefits, the benefits must be issued within 10 days of receipt of the hearing decision.

MODULE: INTENTIONAL PROGRAM VIOLATIONS AND OTHER DISQUALIFICATIONS - 430-05-75



Objective

Review the policy and provide eligibility workers with the information necessary to pursue intentional program violations and policy related to other disqualifications.



Module Time

Approximate Time:

1.25 Hours

Notes

LESSON: Intentional Program Violation



Purpose

Explain the criteria used to determine if an individual has committed an intentional program violation.



eManual References

Intentional Program Violation (IPV)

430-05-75-05



Policy

The individual must have:

- 1. Made a false or misleading statement, misrepresented, concealed or withheld facts such as failure to report mandatory reportable changes.
 - a. Increase in earned income of \$100.00 or more
 - b. New source of income
 - c. Change in household composition
 - d. Change in residence.
- 2. Committed any act that constitutes a violation of the Food Stamp Act, Food Stamp Program regulations, or any state statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing, or trafficking of coupons, authorization cards, or reusable documents used as part of an automated benefit delivery system.

Examples:

- a. Purchasing alcohol or tobacco with food stamp benefits
- b. Purchasing food and reselling it for cash
- c. Selling food stamp benefits

A worker does not have to prove a deliberate intent to defraud. An individual's signature on the application attests to providing full information and to understanding the reporting requirements.

Example:

Intent is satisfied if an individual is aware of the mandatory reporting requirements, but for whatever reason did not report.

If an individual does not report a **mandatory** change within 10 days, a program violation **may** have occurred.

If a failure to report is discovered by the worker, the worker must **consider** initiating an IPV.

An IPV may exist regardless of whether there is a claim.

There is no **requirement** that a claim exist when pursuing IPV.

An individual disqualified from participation in the Food Stamp Program due to an IPV or court conviction of fraud cannot participate in the Food Distribution Program until the period of disqualification expires.

Notes

EXERCISE: One - IPV's



the	following instances should an IPV be pursued?
1.	Worker discovers through an IEVS hit that a household failed to report earned income from a new source. The household already has two inadvertent household error claims for failure to report income. _X_ Yes No
2.	An elderly client reports at recertification interview that she forgot to report that she bought a car, a 1990 Ford six months ago. YesX_ No
3.	Worker receives an anonymous phone call stating that a client is working at Wal-Mart. Worker contacts the client who states that she started working three months ago and didn't feel she had to report this new job. _X_ YesNo
4.	Worker receives a report that a client's boyfriend has moved into the household and that he is the father of one of the children. Worker contacts the client who states the boyfriend did move in two months ago and he is the father of one of the childrenX_ YesNo
5.	During an interview a developmentally disabled individual reports he started working and earns between \$25.00 and \$50.00 per month. This client has a history of being forgetful and is easily confused and states he thinks he has been working at this job for about six months. Yes _X_ No
6.	Client reports at the recertification interview that she is now working. She cannot remember when she started and that she did not know she had to report this new job. She has been on the program for three months. _X_ Yes _X_ No
7.	A client with a history of late reporting or only reporting changes that will result in an increase in benefits is discovered working at the local convenience store. Client has been on the program for five years and the reporting requirements have been explained in detail at every recertification interviewX_ YesNo

8. A new applicant reports no source of income at the interview and the case is processed as expedited. At recertification it is learned that the applicant has been working for the same employer for the past two years. When questioned, the client states that they knew the income must be reported, but they were way behind of bills, just got out of an abusive relationship and were just trying to get caught up. _X_ Yes ____No

Notes

LESSON: County Office Role and Responsibility



Purpose

Explain the role and responsibilities of the county for investigating cases of alleged IPV.



eManual References

County Role and Responsibility

430-05-75-10-05



Policy

The county is responsible for:

- Investigating any case of alleged IPV regardless of current eligibility
- Acting on appropriate cases either through administrative disqualification hearings or referral to a court of appropriate jurisdiction.

Initiating administrative disqualification hearings when:

- The facts of the case do not warrant civil or criminal prosecution.
- A case previously referred for prosecution was declined,
- The county formally withdraws a previously referred case because no action was taken within a reasonable period of time.

The burden of proving an IPV occurred is a county responsibility.

When there is evidence a violation has been committed, the worker must review the case and all evidence with the supervisor, director, the Regional Representative or a fraud investigator (law enforcement). Types of evidence included but are not limited to:

- Application forms
- Change report forms
- Statements made during interviews
- Monthly report forms
- Notices of benefits
- Past IPV for failure to report
- Recertification forms
- Narratives
- Documented phone calls
- IEVS verification

If IPV is pursued, the worker must complete the first portion of SFN – 1940 TANF/Food Stamp Notice of Suspected IPV. In completing the form, list the name of the individual suspected of IPV. In most cases, that will be the individual who has reported the change or completed the application/recertification containing the false information. If the designated head of household is not the individual who provided the false information, do not prepare a SFN 1940 against that individual. If more than one individual gave a false report or if individuals were interviewed together, prepare a **separate** SFN 1940 for each individual.

In completing the "description of evidence" section the worker must:

- Be concise in describing the allegation.
- Address the individual.
- Identify what the individual represented, as well as when and how using complete dates.
- Describe the information received and where that information came from.
- Document how the individual was aware of the reporting requirement.

The worker must attempt to hold a meeting with the individual to discuss the suspected IPV within two weeks of establishing the suspected IPV. If the worker believes the violation did occur and the individual does not have a satisfactory explanation the worker must:

- Provide the individual with a copy of the SFN 1940.
- Provide the individual with a SFN 1087 Legal Service Organizations.
- Provide an explanation that the individual can sign part A or B of the waiver.
- Provide an explanation of the disqualification penalties.
- Provide an explanation that the worker will request an administrative disqualification hearing (in-person or by phone) unless the individual signs either waiver A or B.

If it is determined that no violation occurred, SFN 1940 must be placed in the file with a notation that it was not forwarded for further action and a summary of the explanation given by the household. Any claim continues to be collected as an inadvertent household error.

An individual has the right to waive an administrative disqualification hearing. The worker must possess sufficient evidence to warrant holding a disqualification hearing before allowing an individual to waive the hearing.

- Waiver A allows an individual to admit to the facts and accept the disqualification period.
- Waiver B allows an individual to accept the disqualification without admitting to the facts.
- A signed waiver is a statement that the household has been informed a disqualification penalty will result.

If part A or B of the waiver is signed:

- Give the individual a copy of the SFN 1940.
- Mail the SFN 1940 detailing the violation to the Appeals Supervisor at the State Office.
- If part B is signed, a cover letter detailing why the individual signed Part B rather than Part A must also be sent to the Appeals Supervisor.

If an individual **chooses not** to sign either Part A or Part B of the waiver **or** the individual fails within two weeks to respond to a request for meeting **or** fails to attend a scheduled meeting without a satisfactory explanation within three days after the scheduled meeting:

- A hearing will be requested (in person or by telephone)
- Mail a copy of the SFN 1940 to the individual
- Mail SFN 1087 Legal Service Organizations to the individual
- Mail the following to the Appeals Supervisor at the State Office:
 - a. SFN 1940
 - b. A letter detailing the violation
 - c. Copies of relevant parts of the Change Report Form, Application, etc.
 - d. Copies of the evidence obtained
 - e. A request for legal counsel if necessary (Normally this is done only if the client has obtained legal counsel).

If the individual fails to appear at the disqualification hearing without good cause, the hearing officer will conduct the hearing and base the decision solely on the information provided by the county at the hearing.

Collection on a claim continues at the rate of 10% or \$10.00 whichever is greater and a pending disqualification hearing does not affect the benefit determination. Full payment of a claim before the disqualification decision is reached does not stop the disqualification process.

Notes



Case Number	Date

TO: Name and Address		FROM: County Social Service Board Office		
		Telephone Number:		
		If you have any questions regarding this notice, please call the above number.		
We believe you intentionally violat waive a hearing.	ted Program rules. This	form tells you about disqualification, hearings and how to		
We recently reviewed your	Temporary Assistance for Needy Families (TANF) case.			
We believe you did the following:	Food Stamp case.			
		/Attach		
		(Attach pages as needed)		

SFN 1940 (Rev. 01-2002) Page 2			Case Number	Date	
We have the following information to sup	port these charges:	+			
,	, 3				
				pages as needed)	
You and your authorized representative arrange a time, call the county social serv		on at th	ne county social serv	ice board office. To	
arrange a time, can the county social serv	nce board office.				
Because we think you committed an inter	ntional Program violation	, we pro	pose to disqualify you	from the:	
Disqualified Number:	First	Second	d Ti	nird	
TANF Program for:	1 Year	2 Ye	are \Box	Permanently	
TANI Flogramior.			als	remanently	
Food Stamp Program for:	oriar to Cantambar 20, 11	one			
Suspected violation occurred p	6 months	996 1 Ye	ar 🗆	Permanently	
			Ш	·,	
Suspected violation occurred of	on or after September 20), 1996 2 Ye	ars \square	Permanently	
				remanenty	
Signed:			Title:		
THE DEMANDED O	NE TIUS ESS.		ITAING IMP	DTANT	
THE REMAINDER OF THIS FORM CONTAINS IMPORTANT					
INFORMA	TION ABOUT	YOU	R RIGHTS.		

PLEASE READ THIS ENTIRE FORM

You have the right to remain silent concerning the charge(s). Anything said or signed by you concerning the charge(s) can be used against you in a court of law. Regardless of whether a hearing is requested or held, the state or federal government may prosecute you for intentional Program violation in a civil or criminal court action and may collect any overpayments or overissuances. If you agree the information is true or if you accept the disqualification without a hearing, you may sign the "Waiver of Hearing." If you do not sign the Waiver of Hearing form, a hearing will be held. If you waive a hearing, we will reduce TANF or Food Stamp benefits, or both, for your household. If you do not repay any TANF overpayments or Food Stamp overissuances which may exist, other household members may have to make repayment. THE BACK PAGE OF THIS FORM CONTAINS ADDITIONAL INFORMATION ABOUT YOUR HEARING RIGHTS AND PROCEDURES WAIVER OF HEARING THE WAIVER WILL RESULT IN YOUR DISQUALIFICATION AND A BENEFIT REDUCTION FOR OTHER FOOD STAMPS FOR THE PERIOD OF DISQUALIFICATION. HOUSEHOLD MEMBERS IN TANF If a signed waiver of hearing is received by the Appeals Supervisor, Department of Human Services, State Capitol, Judicial Wing, 600 East Boulevard Avenue, Bismarck, ND 58505-0250 before the date of the hearing, no hearing will be held. The waiver must be signed by you and by the caretaker relative or the head of household if you are not the caretaker relative or the head of household. Sign A or B below if you wish to waive a hearing. A. I admit to the facts as presented and B. I do not admit that the facts as presented are understand that a disqualification penalty will correct. However, I have chosen to sign this be imposed if I sign this waiver. waiver and I understand that a disqualification penalty will result. Your Signature Date Your Signature Date Caretaker Relative/Head of Household Caretaker Relative/Head of Household Signature Date Signature Date

ABOUT HEARINGS

If you have witnesses who have testimony or evidence in their possession which is necessary to your case, you may, before the hearing, ask the Administrative Law Judge to prepare subpoenas ordering those witnesses to appear at the hearing to testify or to bring the needed evidence. You will have to see that your subpoenas are properly served.

It is important that you or your representative be at the hearing, otherwise a decision will be based solely on information provided by the county social service board office.

If you or your representative do not appear at the hearing and there is a good reason why you or your representative did not attend the hearing, you must contact the Administrative Law Judge within 10 days after the hearing date in order to determine if you are entitled to receive a new hearing date.

YOUR HEARING WILL BE CONDUCTED BY TELEPHONE UNLESS YOU REQUEST THAT THE ADMINISTRATIVE LAW JUDGE BE PRESENT. YOU ARE ENTITLED TO HAVE THE ADMINISTRATIVE LAW JUDGE PRESENT IF YOU WISH. IF YOU REQUEST TO HAVE THE ADMINISTRATIVE LAW JUDGE PRESENT, IT WILL NOT AFFECT THE WAY THE HEARING IS CONDUCTED OR THE DECISION.

I request that an Administrative Law Judge be present at my hearing. (Do not sign if you have waived your hearing.)

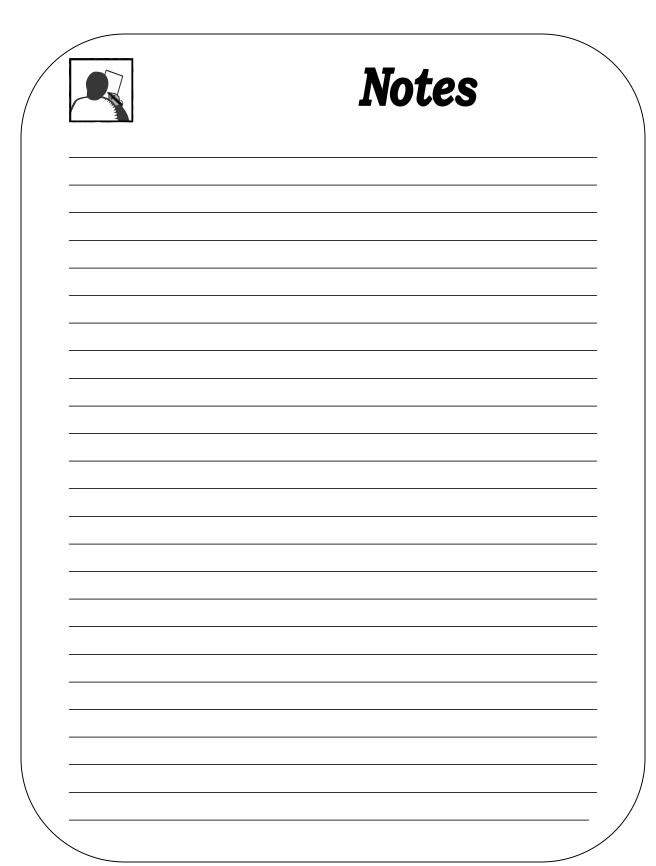
Do not sign if you prefer a telephone hearing.)

Name	Signature	Date

YOUR HEARING RIGHTS AND PROCEDURES

- For telephone hearings, the Administrative Law Judge will place a telephone call to your hearing location. All locations will have a speaker-phone system in which all parties will be able to hear and speak without having to use a telephone receiver.
- The hearing will be conducted in an impartial manner. All testimony will be submitted under oath and tape recorded. You will not be bound by the rules of procedure and evidence used in the courts. Any papers you submit will be sent to the Administrative Law Judge for examination.
- 3. You must appear at the time and place set forth on your notice, along with any witnesses or representatives you choose. The county social service board office representatives and witnesses will also be present. Attendance by other persons must be agreed to by both you and the county. An interpreter shall be provided by the county social service board if the Administrative Law Judge determines this is necessary.

- 4. You may look at the evidence that will be used at the hearing both before and during the hearing. Call the county social service board office if you wish to look at the evidence before the hearing.
- You may present your own case or have a lawyer, friend, relative, or community worker present your case for you.
- You may ask to delay your hearing for up to 30 days if you need more time to prepare your case provided such request is made to the Administrative Law Judge at least 10 days in advance of the scheduled hearing.
- 7. You may bring your own witnesses.
- 8. You may argue your case freely.
- 9. You may question any statements made against you or any evidence.
- You may bring any evidence you may have that would support your case.
- You may refuse to answer any questions or to make any statements.
- Free legal services may be available to you at an office listed on the attached page.
- A copy of the Administrative Rules on hearing procedures is available, upon request, from the Appeals Supervisor.



LESSON: State Office Role and Responsibility



Purpose

Explain the role and responsibilities of the State Office in the IPV process.



eManual References

State Office Role and Responsibility

430-05-75-15-50



Policy

The State Agency has the responsibility to provide guidance to counties by responding to questions and clarifying policies.

In addition, the Appeals Supervisor has the following responsibilities:

- Review the SFN 1940 and the letter detailing the violation
- If the waiver is not approved, it will be returned to the county with a letter detailing the reason(s) the waiver was not approved.

The county then has the option to:

- a. Provide the Appeals Supervisor with information regarding the missing element(s)
- b. Dismiss the waiver
- c. Refer the case for prosecution.

- The waiver will be approved if the county shows that a program rule has been violated and the county has sufficient evidence to support the allegation contained in the IPV or to have warranted the scheduling of a hearing.
- For signed waivers, a Findings and Order will be prepared for review and signature by the Executive Director. The Order will notify the individual of the disqualification and the effective date.
- If the waiver was not signed, the case is reviewed and referred to the Office of Administrative Hearings.
- A hearing is scheduled either by phone or in person with an
 Administrative Law Judge. The individual must be provided a 30-day
 advance notice of the scheduled hearing and the hearing must be
 conducted, a decision rendered and the county notified within 90 days
 from the notice of hearing.

If the individual or their representative fails to appear for the scheduled hearing without good cause, the hearing will still be conducted as scheduled. Good cause is decided by the Appeals Supervisor.

After the hearing, the Administrative Law Judge issues a recommended Findings and Order for review and action by the Executive Director. If the Order signed by the Executive Director finds the individual committed a violation, the Order will be mailed to the individual and the county stating the disqualification and the effective date. (Program will receive a copy of the recommended Findings and Order. We are required to either agree or disagree with the recommended findings. If we disagree, we must specify why and ask for a rewrite of the Findings and Order).

No further administrative appeal procedure exists after an individual waives the right to an administrative disqualification hearing and a disqualification penalty has been imposed. The disqualification penalty cannot be changed by a subsequent fair hearing decision. The individual is entitled to seek relief in a court of appropriate jurisdiction.

The State Office enters the appropriate information into the Disqualified Recipient Subsystem upon notification of the disqualification.

LESSON: County Action Upon Receipt of a Signed Decision



Purpose

Explain the appropriate actions the county must take when a signed decision is received.



eManual References

County Action Upon Receipt of a Signed Decision

430-05-75-15-55



Policy

The county must take the following actions upon receipt of a signed decision:

- Review the **signed** decision to determine if an IPV has been committed.
- If an IPV has not been committed, the household remains responsible for any overissuance and the claim continues as an inadvertent household error.

If an IPV has been committed the worker must:

- 1. Disqualify the individual. The disqualification period begins with the first month following the date the individual receives written notification. Adequate notice is required. Once the disqualification penalty has been imposed it continues uninterrupted until completed. Send Notice F818 IPV Food Stamp Overissuance to the household. Change the participation code of the individual on SSDO from "IN" to "DF".
- 2. The worker will receive an alert 10 days from the date the notice F818 is sent. (Doesn't matter if the food stamp case is open or closed. The penalty is imposed the month following the month of notification).

- 3. After the 10 days has elapsed, change the percent from 10% to 20% for the claim (SEOO, function 5).
- 4. Change the error cause for the claim to "FR" (SEOO, function 5).
- 5. Record the IPV disqualification on the IPSA screen. (SEOO, function

For IPV claims, the amount of food stamp benefit reduction is the greater of 20% of the benefit or \$20.00 per month.

Notes

LESSON: Disqualification Penalty Timeframes



Purpose

Explain the appropriate disqualification timeframes.



eManual References

Disqualification Timeframes

430-05-75-20



Policy

An individual found to have committed an IPV is ineligible to participate as follows:

- A period of 12 months for the first IPV
- A period of 24 months for the second IPV.
- Permanently for the third violation of any IPV.

LESSON: Other Disqualifications



Purpose

Explain the policy relating to other disqualifications.



eManual References

Other Disqualifications

430-05-75-25



Policy

Sale of a Controlled Substance Involving Food Stamp Benefits

An individual found by a federal, state, or local court to have used or received food stamp benefits, in a transaction involving the sale of a controlled substance is ineligible to participate in the program and the appropriate TECS code on SSDO is DF:

- 1. For a period of 24 months for the first violation.
- 2. Permanently upon the second violation.

These penalties also apply in cases of deferred adjudication by the court.

Sale of Firearms, Ammunition, or Explosives Involving Food Stamp Benefits

An individual found by a federal, state, or local court to have used or received food stamp benefits, in a transaction involving the sale of firearms, ammunition, or explosives is permanently ineligible to participate in the Program and the appropriate TECS code on SSDO is DF. This penalty also applies in cases of deferred adjudication by the court.

Fraudulent Statements Regarding Identity or Place of Residence

An individual found to have made a fraudulent statement or representation with respect to identity or place of residence in order to receive duplicate benefits (both in state and out-of-state) is disqualified for 10 years and the appropriate TECS code on SSDO is DF.

The guilty decision must have occurred on September 20, 1996, or after and the 10-year time frame starts the month following the month the individual was found guilty in a state or federal court anywhere in the nation.

If the guilty decision was issued from the Administrative Hearing Office, the 10-year time frame starts the month following the month of receipt of the signed Findings and Order.

As long as there is sufficient evidence that the individual made statements or representations regarding identity or residence, there is no dollar loss tied to this provision. If the individual moved from one State to another, the State the individual resides in is the State that should establish a claim (if appropriate) and pursue IPV.

Fleeing Felons, Parole or Probation Violators

An individual that is a fleeing felon, parole or probation violator is ineligible to participate in the program and the appropriate TECS code on SSDO is DF.

Drug Related Felony

An individual convicted of a federal or state felony for possession, use, or distribution of illegal drugs is permanently ineligible to participate in the Food Stamp Program when the act occurred after August 22, 1996.

If an individual is convicted of a drug related felony, the following information must be sent to the State Food Stamp Office for review:

- Social Security Number
- Date of Birth
- Full Name and Middle Initial
- Name of County
- Case Number
- Sex of Individual

• Copies of the Criminal Complaint and Judgment or Order which substantiates the drug-related felony

The State Food Stamp Office will review the information to determine if the conviction disqualified the individual from the Food Stamp Program and notify the worker. If appropriate, the State Food Stamp Office will enter the disqualification on the sanction screen in TECS, change the individual's participation code to DD and enter the individual into the DRS system.

Trafficking Benefits

Individuals convicted by a Federal, State, or local court of trafficking benefits for an aggregate amount of \$500 or more are permanently ineligible and the appropriate TECS code on SSDO is DF. Aggregating involves the accumulation of separate dollar amounts for separate but related trafficking offenses leading up to a conviction.

Notes	

MODULE: CLAIMS – 430-05-80



Objective

Clarify when it is appropriate to establish a claim and documenting the date and source of discovery of the claim, notification of household and collection of claim amount, and pursuing IPV.



Module Time

Approximate Time:

1.5 Hours

Notes	

LESSON: Claim Establishment and Documenting Date and Source of Discovery



Purpose

Identify the circumstances under which a Food Stamp claim must be established and the correct procedure for creating the claim.



eManual References

Types of Claims	430-05-80-10
Establishing Claims	430-05-80-20
Claims that are not Cost Effective	430-05-80-25
Calculating the Amount of Claims	430-05-80-30



Policy

Claims must be established for any household that received more Food Stamp benefits than it was entitled to receive or for benefits that are trafficked. When completing a claim for income that was used incorrectly, not reported incorrectly **actual income must be used.**

Exception:

Claims for errors caused by the client must only be established for mandatory reportable changes.

A claim is established by calculating and authorizing the overpayment and sending the appropriate notice to the household.

Each adult member in the household at the time the overpayment occurred is responsible for the repayment of the claim.

This follows the adult members if they move into separate cases.

Regulations prohibit benefit reduction of an initial benefit, retroactive initial benefit, and current month's supplemental benefits.

Exception:

The system will recoup from an initial benefit where there has not been a break in participation from the previous month.

Claims are established in one of three categories and coded respectively on OVCA:

• Inadvertent household error (CL)

The worker must establish a claim for any overissuance back to the date the act occurred, not to exceed six years.

The household unintentionally failed to report or provide information. All errors pending IPV/court order decision must first be established as an inadvertent household error claim until the signed decision or court order is received.

• Administrative error (AG)

The worker must establish a claim for any overissuance for a maximum of 12 months from the month the worker becomes aware of the overissuance.

The worker failed to take action on information reported or provided by the household or made a mistake in the calculation of the benefit.

• IPV (FR)

An administrative disqualification hearing official or a court has determined that an individual committed an IPV or when an individual signs a deferred adjudication disqualification consent agreement. A claim must be handled as an inadvertent household error until a signed decision or court order is received.

All claims must be established before the last day of the quarter following the quarter in which the overpayment or trafficking incident was discovered.

Example:

The date of discovery is December 5, 2003, so the claim must be completed by March 31, 2004.

Both Date and Source of discovery must be recorded on the OVCA screen. The Source of Discovery codes have been added to an error edit that will appear on OVCA if the incorrect code is entered.

O V C A Screen

• The date of discovery is defined as the date the worker first suspects a household received more benefits than entitled to or may have misused their benefits.

Date is 6 digit numeric (MMDDYY)

In the case of IEVS, the date of the IEVS alert is the date of discovery.

• The Source of the discovery must also be identified and documented.

The new source codes are 2 digit alpha characters:

AG – **Agency** – Many times the error is found through inhouse casefile reviews or other in-agency reviews.

IV – **IEVS** – IEVS alert indicates unreported income, etc.

QC – **Quality Control** – The claim is the result of a QC finding.

OS - Other Source - This could be information found via the newspaper, information reported by someone within the community, etc.

OVCA OVERPAYMENT/CLAIMS AUTHORIZATION 110703 08:47

CASE:

CASE NAME:

PROGRAM TYPE: FS RECOUPMENT NUMBER: 004

ERROR OVERPAYMENT/ ERROR OVERPAYMENT/
ACTION MONTH CLAIM AMOUNT ACTION MONTH CLAIM AMOUNT

TOTAL OVERPAYMENT CLAIM: ERROR CAUSE: RECOUPMENT PLAN: DATE ERROR DISCOVERED: SOURCE OF DISCOVERY: EFFECTIVE DATE: TOTAL OUTSTANDING:
NOTICE DATE:
PERCENT (IF APPLICABLE):
AMOUNT (IF APPLICABLE):
CLOSE/SUSPEND DATE:
AUTHORIZATION:

Claims that are Not Cost Effective

- Case is closed at the time claim is created and amount of the claim is less than \$125.
- Worker must calculate and authorize overpayment on OVCA.
- The overissuance notice **must not** be sent to the household, the worker must delete it from NOHS.
- Worker must contact the State FS Office to adjust the claim balance.
 (Marlys @ 328-2328)

Exception:

The claim is completed for a case cited and reported as an overissuance by Quality Control regardless of the amount.

Calculating the Amount of Claims

In determining the amount of an inadvertent household error claim, the worker must apply 10-10-10.

- The household has 10 days to report.
- The worker has 10 days to act.
- 10 days must be allowed for the 10-day advance notice.

Exception:

Initial Applications and Recertifications.

In reviewing the actual circumstances for the month, it may appear that there is an overissuance for one month but no claim is established due to 10-10-10.

When completing a claim for income that was used incorrectly, not reported or reported late, **actual income must be used.** If there is more than one source of income, actual income only for the source in error is used. The amounts of the other sources of income remain unchanged.

The Earned Income Penalty Violation Code (PV) is entered on the EAIN screen for only the earned income not reported or not reported in a timely manner.

Verifications needed to complete the claim must be obtained using Notice F814 – Required Verification, allowing the household 10 days to provide the information.

Exception:

Quarterly wage match through IEVS. If needed verification cannot be obtained from the individual using the appropriate IEVS verification notice, the quarterly wage must be prorated over the quarter and a claim established.

For an ongoing food stamp case, if the household fails or refuses to respond to the request for verification, the worker must send the F401 and the case will go to close. The worker must document in the casefile that there is an outstanding claim issue.

If the case is closed and the household fails to respond to the request, the worker must document in the casefile that there is an outstanding claim issue. If the household applies at a later date, they must cooperate by providing the information necessary to calculate the claim. If they continue to fail or refuse to provide the information the application is denied.

When completing a claim for expenses, only the incorrect expenses are changed. All other expenses remain unchanged.

If an underpayment would result instead of a claim and the household failed to report or report timely, benefits are not restored.

Notes

EXERCISE: One - Establishing Claims



On August 23, the eligibility supervisor is doing a casefile review of an open Food Stamp case. It is discovered that the worker incorrectly entered the amount of earned income on EAIN in the application month (July 5). The worker must now correct the case.

- Does the worker correct the income amount by entering the amount the client had verified and anticipated at the time of the interview (July 10th)? ___Yes _X_ No
- 2. If the answer to question 1 is No, what income is entered? Actual income for July.
- 3. What is the category or type of claim for this case? Administrative error (AG)
- 4. What is the date of discovery for this claim? August 23, 2003.
- 5. What is the source of discovery for this claim? AG (agency)
- 6. By what date must the claim be completed? December 31 of the year discovered (the last day of the quarter following the date of discovery.)

Note that worker would also want to check August against August actuals and against a reasonable prospection as well.

EXERCISE: Two - Establishing Claims



Household consists of Mom, Dad and child. Dad works construction and is paid twice a month (Dec. 1st & 15th). Mom works full-time at K-Mart and is paid every two weeks on Friday (Dec. 12th & 26th). January 7, the household submits the change report form and pay stubs for the month of December . They do not report anticipating any changes for January. February benefits are authorized based on December income. On January 23, Mom calls the worker and reports she was given a \$1.00 per hour raise on December 29th, but forgot to report it on the change report form she sent in January. The worker cannot react to the information for February as a 10-day advance notice is required because the client did not report the information in writing. The worker must now determine if a claim will be required for February.

- Is the worker required to apply the 10-10-10 rule in determining if a claim is required? _X_ Yes ____No
- 2. If the answer to number 1 is yes, what is day number 1 in determining the 10-10-10? December 29, 2003.

Because this change resulted in a change in earned income > \$100 per month, it is a mandatory reportable change where the first day of the 10-day count is the date the household becomes aware of the change.

If the change were for less than \$100 in earned income, it would be a normal fluctuation and for those the count date starts the first day of the month.

- 3. Based on the information in the scenario, will a claim be required for benefit month of February? X Yes No
- 4. The worker will rework the benefit month of February based on:
 - a. _____ Hourly rate of pay X hrs. anticipated for February _____ Actual wages received by Mom and Dad in February ____ X_ Actual wages received by Mom in February.
- What earned income code is entered on EAIN for this income?
 __RE _X_ PV.
- 6. What is the claim type for this case? Inadvertent household error CL

- 7. The worker can rework the benefit month of February on February?
 ____ Yes _X_ No.
- 8. If the answer to number 7 is "No", when would the worker rework the benefit month of February? During the month of March with the verified actual income for February

EXERCISE: Three – Determining if a Claim is Appropriate



Household consists of Mom, Billy age 7, and Sara age 5. Mom works full time and is paid \$900 once a month. Her rent is \$300, and she pays for all her utilities so is entitled to the full SUA. She incurs childcare costs of \$300 per month. During the recertification interview on July 15, Mom indicates that in April her rent decreased to \$150, she is now receiving housing assistance. She also indicates that in June the child care costs decreased to \$200 per month as she changed day care providers. (Last certification period was March 1, through July 31.)

- 1. Is a claim required on this case? ___Yes _X_ No. If "Yes", for what month(s)? N/a
- 2. If no claim is required, why not? These are not mandatory reportable changes.

LESSON: Notification of Household and Collection of Claim Amount



Purpose

Review what required notices are to be mailed to the household to inform them of the claim amount. Identify the procedure for correctly completing the required notices.

Review the various forms of claim repayment available.



eManual References

Collecting Claims Against Households Types of Claim Payments 430-05-80-35 430-05-80-70



Policy

Administrative Error Claims

- Send notice F819 FS Overissuance Notice (AG error) to the household. Notice X005 FS Demand for Payment Notice (AG error) automatically follows.
- Worker receives an alert 30 days from notice date as a reminder the demand for payment date is due.
- Set the payment plan of 10% or \$10 (whichever is greater) if the household does not respond to Demand for Payment Notice. Allotment reduction is automatic.

Inadvertent Household Error Claims

- Send notice F816 Food Stamp Overissuance Notice (CL error) to the household. Notice X007—FS Demand for Payment Notice (CL error) automatically follows.
- Worker receives an alert 20 days from notice date as a reminder the demand for payment date is due.
- Set the payment plan of 10% or \$10 (whichever is greater) if the household does not respond to Demand for Payment Notice. Allotment reduction is automatic.

IPV Claims

For clients who have intentionally provided false statements regarding their eligibility or continually fail to timely report mandatory reportable changes, the worker must initiate an Intentional Program Violation.

We are aware of the counties that have not pursued Intentional Program Violation for clients since the Fraud Units were terminated. This is not an option, the policy requires that IPV be pursued if the client is "intentionally" failing to report or are reporting false information.

This is an area that is reviewed each year by FNS during the State Agency Operation Review. If the county selected as part of the review has not pursued an IPV, FNS will require corrective action.

All errors pending IPV/court order decision must first be established as an inadvertent household error claim (CL) until the signed decision or court order is received.

When an individual has been found guilty of IPV, the worker must:

- Send notice F818 IPV Food Stamp Overissuance Notice (FR) to the household. This notice is a combination overissuance/demand for payment notice.
- The worker will receive an alert 10 days from the notice date as a reminder the demand for payment date is due.
- Change the error cause from CL to FR and payment plan from 10% to 20% or \$20; whichever is greater, if the household does not respond to the Demand for Payment Notice. Allotment reduction is automatic.

The worker must generate and complete the appropriate Food Stamp Overissuance/Determination notice for each claim. As a result of the regulation change requiring that the household be provided with the original allotment received and the amount of the corrected allotment, the notice is now completed in two parts:

- FS Overissuance Notice
- FS Overissuance Determination

FS Overissuance Notice:

The worker completes the information relating to the claim amount, month(s) in error, and the cause of the error.

The remainder of the notice contains information explaining to the client the overissuance determination and demand for payment agreement notices will be mailed separately. The client must sign the agreement to repay the overissued Food Stamps and if they fail to do so the benefit reduction will begin automatically.

FS Overissuance Determination:

The worker must enter the benefit month of the claim, the original allotment received, corrected allotment, amount of the overpayment and the total claim amount. There may be more than one month involved in the calculation of the claim.

The worker must use the space bar on the keyboard when accessing the individual fields on the Overissuance Determination notice. There are no defined fields on the notice. If the worker uses the mouse and clicks at the beginning of a field, the system will scrunch that information together.

EXAMPLE:

NOT1 NOTICE 111903 14:14
CASE: 00002917 DARLENE F
CASE NAME: NOTICE, TEST NOTICE: F829

ND 58505-

MAILING : BOX 10 BISMARCK

ADDRESS :

TITLE : FS OVERISSUANCE DETERMINATION

THE OVERISSUANCE OF FOOD STAMP BENEFITS RECEIVED BY YOU OR YOUR HOUSEHOLD WAS DETERMINED AS FOLLOWS:

BENEFIT ALLOTMENT CORRECTED AMOUNT OF MONTH RECEIVED ALLOTMENT OVERPAYMENT

IF YOU HAVE QUESTIONS RELATED TO THE CLAIM, CONTACT YOUR LOCAL COUNTY SOCIAL SERVICE OFFICE AT THE ABOVE TELEPHONE NUMBER AND/OR ADDRESS.

ANY PART OF THE OVERISSUANCE CLAIM MAY BE REDUCED IF IT IS DETERMINED BY THE STATE FOOD STAMP OFFICE THAT YOUR HOUSEHOLD IS NOT ABLE TO REPAY THE CLAIM AFTER ALL COLLECTION METHODS HAVE BEEN ATTEMPTED. YOUR RIGHTS AND REPORTING RESPONSIBILITIES ARE LISTED ON THE BACK OF THIS NOTICE. A LIST OF LEGAL SERVICE ORGANIZATIONS IS AVAILABLE UPON REQUEST.

CASE: 00002917 DARLENE F

CASE NAME: NOTICE , TEST

PROGRAM: FS BENEFIT/RL MONTH: 1103 DATE MAILED: FROM: FABER ,DARLENE CAVALIER CSSB

FS OVERISSUANCE DETERMINATION

THE OVERISSUANCE OF FOOD STAMP BENEFITS RECEIVED BY YOU OR YOUR HOUSEHOLD WAS DETERMINED AS FOLLOWS:

BENEFIT ALLOTMENT CORRECTED AMOUNT OF
MONTH RECEIVED ALLOTMENT OVERPAYMENT

11/03 \$300\$100\$200

TOTAL CLAIM AMOUNT \$200

IF YOU HAVE QUESTIONS RELATED TO THE CLAIM, CONTACT YOUR LOCAL COUNTY SOCIAL SERVICE OFFICE AT THE ABOVE TELEPHONE NUMBER AND/OR ADDRESS.

ANY PART OF THE OVERISSUANCE CLAIM MAY BE REDUCED IF IT IS DETERMINED BY THE STATE FOOD STAMP OFFICE THAT YOUR HOUSEHOLD IS NOT ABLE TO REPAY THE CLAIM AFTER ALL COLLECTION METHODS HAVE BEEN ATTEMPTED. YOUR RIGHTS AND REPORTING RESPONSIBILITIES ARE LISTED ON THE BACK OF THIS NOTICE. A LIST OF LEGAL SERVICE ORGANIZATIONS IS AVAILABLE UPON REQUEST



Discussion Questions

September 20, the eligibility supervisor is doing a casefile review of an open Food Stamp case. It is discovered that the worker incorrectly entered the amount of earned income on EAIN in the application month (August 5).

October 1, the worker reworked the benefit month of August with actual income an the

nd cre	eated an Administrative Error Claim. Original August benefit was \$150, rected benefit is \$100, and the claim is \$50.00
1.	What is the appropriate overissuance notice to send for this case? F819 FS Overissuance notice (AG error).
2.	Is the overissuance notice a two-part notice? X_ Yes No
3.	Should the worker use the "mouse" to access the required fields on the overissuance determination notice? Yes X No
4.	The worker must also send the X005 FS Demand for Payment Notice (AG error)? Yes _X_ No
5.	If the answer to number 4 is "No", why not? The Demand for Payment notices are mailed automatically by the system the day following the overissuance notice authorization
6.	How many days following the mailing of the notice will the worker receive the alert indicating the demand for payment agreement is due?
7.	If the client fails to return the Demand for Payment agreement does the worker enter the recoupment plan and amount of 10% or \$10 whichever is greater? X Yes No

Types of Claim Payments

Claims can be paid using any of the following types of payments or combination of them:

Allotment Reduction

Allotment reduction is automatic for participating households and begins with the first allotment issued after the appropriate notification, if the household did not respond to the Demand for Payment agreement. For AG and CL claims, it is 10% or \$10, whichever is greater and 20% or \$20, whichever is greater, for IPV.

The household can request a benefit reduction at a higher rate than listed above, but the casefile must contain supporting documentation of this request.

Offsetting Underpayments

When a household has an outstanding balance on a claim and is entitled to an underpayment, the system will automatically apply the underpayment to the overpayment. The overpayment must be authorized first.

Lump Sum or Installment Payments

Acceptable forms of lump sum or installment payments include check, cash, money order, or EBT benefits.

Treasury Offset Program (TOP)

This is a State Office procedure. All 3 types of claims can be submitted if they meet the requirements. Case is closed. Claim is more than \$25 (individually or collectively). Claim is at least 3 months delinquent but no more than nine years and 11 months old and the household received a 60-day notice informing them that the claim is delinquent and will be offset against a tax refund.

Client authorized EBT Benefits

The household may pay a claim using benefits from its EBT account. Written authorization must be obtained from the client, which specifies the amount. This information must be submitted to the State FS Office.

Stale EBT Account Debits

An automatic notice is sent to the household allowing them 10 days to advise either their worker or the State Office they DO NOT want their benefits used to pay the claim.

Expunged EBT Benefits

Any benefits in an EBT account that has not been used in 365 days are expunged and no longer available to the household. Expunged benefits are applied to the outstanding claim using the EX code on DIRE.

Other Collection Actions

Other collection actions may be used to collect claims such as collection agencies.

Unspecified Joint Collections

An unspecified payment is received for a combined case, each program receives a prorata share of the amount collected.

Public Service

If authorized by a court, performing public service may pay the value of a claim.



Troubleshooting Tips

Removing of Close/Suspend Date on Claims

The system will automatically enter a suspend date on a claim if there have been no recoupments posted to that claim for one year. This close date must be removed before recoupment can begin again.

Included on the list of 'Things to do Before the Interview' for applications and recertifications the worker is instructed to check the DIRE screen to see if there are any claims with outstanding balances. The worker must contact the State Food Stamp Office to have the close/suspend date removed. Before you contact the State Office review the DIRE (Direct Recoupment) screen to **ensure that a balance is remaining on the claim.**

The worker may also check the Recoupment History screen (REHI) to determine if there is a claim with close/suspend date and an outstanding balance remaining. Both DIRE and REHI contain this information.

DIRE DIRECT RECOUPMENT

CASE: 00002917

CASE NAME: NOTICE , TEST

PROGRAM TYPE: FS

RE- CLOSE

REF ORIGINAL O/S NOTICE PAY START SUSP. AMOUNT RECOUP TOP # AMOUNT CAUSE DATE PLAN DATE DATE RECEIVED METHOD IND

001 200.00 **200.00** AG 111903 **112004**

DIRE DIRECT RECOUPMENT

CASE: 00002917

CASE NAME: NOTICE , TEST

PROGRAM TYPE: FS

REF ORIGINAL O/S NOTICE PAY START SUSP. AMOUNT RECOUP TOP AMOUNT AMOUNT CAUSE DATE PLAN DATE DATE RECEIVED METHOD IND

001 200.00 **0.00** AG 111903 **032004**

REHI RECOUPMENT HISTORY

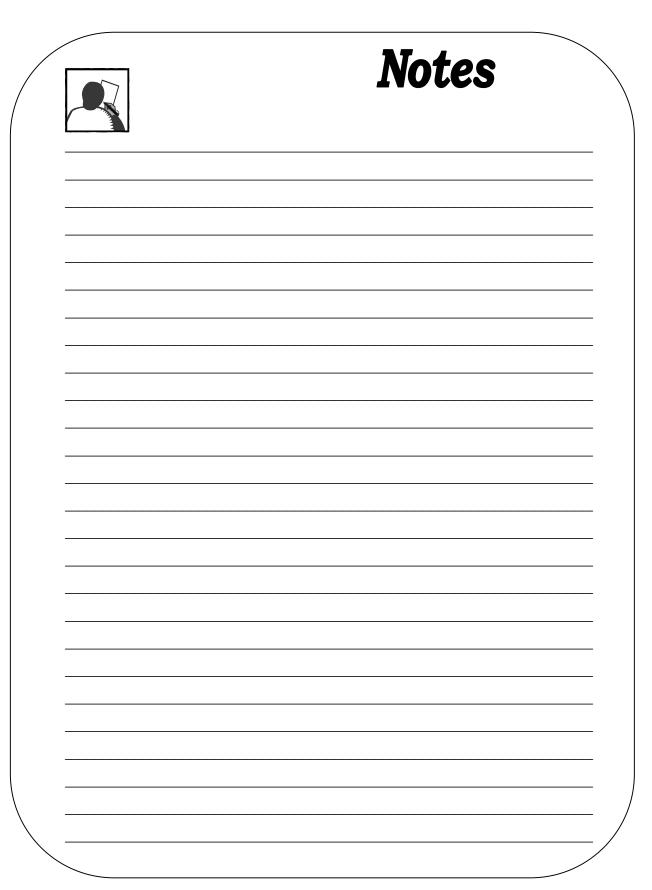
CASE: 00002917 CASE NAME: NOTICE , TEST

PROGRAM TYPE: FS

RECOUP SETUP CLOSE ERROR AMOUNT REC AMOUNT RECOUPED DOCUMENT NUMBER DATE CAUSE PLAN METH REMAINING RECOUPED DATE

001 111903 **032004** AG 200.00

0.00 200.00 032004 CA



MODULE: SUPPLEMENTS AND REPLACEMENTS – 430-05-85



Objective

Provide eligibility workers with the information necessary to correctly determine when a supplement or a replacement is completed.



Module Time

Approximate Time

15 Minutes

Notes	

LESSON: Supplements



Purpose

Define and explain supplement policy.



eManual References

Supplements 430-05-85-05



Policy

A supplement must be issued when:

- There is an ongoing decrease of \$50 or more in the household's gross monthly income.
- There is an addition of a new household member who is not a member of another certified food stamp household.

After a change is reported and verified, the worker must make the change no later than the next regular issuance or 10 days after the change is reported, whichever is later. A supplement is **not** issued for the month a change is reported and verified. Worker failure to increase benefits will result in an underpayment.

Examples:

1. A household reported and verified a decrease in gross monthly income of \$50 or more on July 25. No supplement is issued for the month of July. The worker must process the reported change and issue a supplement for the benefit month of August by August 4, if the worker hasn't processed this change by regular issuance deadline.

2. A household reported and verified the addition of a new household member on August 3. No supplement is issued for the current month (August). When processing September benefits the new household member must be added to the case.

Notes

LESSON: Replacements



Purpose

Define and explain replacement policy.



eManual References

Replacement Issuance

430-05-85-10



Policy

A replacement issuance must be provided when a household reports that food purchased with food stamp benefits was destroyed in a household disaster or misfortune. The household need not be currently participating.

The worker must determine that the destruction occurred in a household disaster, such as, but not limited to, a fire, flood, tornado, or loss of electricity due to a power outage. The worker must verify the loss through a collateral contact such as, but not limited to, the fire department, Red Cross, or a home visit.

The worker must document in the household's case file each request for replacement, the date, the reason, and whether or not a replacement was provided.

Replacement issuances are provided **only**:

- If a household timely reports the loss within 10 days of the loss.
- If a signed statement or affidavit is received within 10 days of the date of the report.

The signed statement or affidavit must be faxed to the State Office as the State Office completes all replacements. The worker must retain a copy of the signed statement or affidavit in the case file. The signed statement or affidavit must include the following:

- 1. Amount destroyed up to the original issuance.
- 2. Specify the reason for replacement.
- 3. That the household is aware of the penalties for intentional misrepresentation of the facts, including but not limited to, a charge of perjury for a false claim.

If the worker does not receive the signed statement or affidavit within 10 days of the date of the report, **no replacement is made**. If the 10th day falls on a weekend or holiday, and the statement is received the day after the weekend or holiday, the worker must consider the statement timely.

There is no limit to the number of replacements.

The maximum replacement cannot be for more than one month and cannot be more than the Thrifty Food Plan if that had been the original amount issued, unless the issuance includes underpayments, which must be replaced.

Notes

EXERCISE: One - Supplements



True or False?

- 1. A supplement is issued when there is an ongoing decrease in total gross monthly income of \$50.00 or more. True
- 2. A replacement issuance must be issued when a non participating household reports the loss of food purchased with food stamp benefits due to a household disaster or misfortune. True
- 3. A replacement issuance will be provided if the household reports the loss with 12 days of the loss. False
- 4. A supplement is issued for the month a change is reported and verified.

 False
- 5. The worker has 10 days after the change is reported and verified to act on the change. True
- 6. A supplement must be issued no later than the next regular issuance or 10 days after the change is reported. True
- 7. A household must sign a statement or affidavit in order to receive a replacement. True
- 8. If the signed statement or affidavit is received the day after a holiday or weekend, it is considered timely and a replacement must be issued. **True**
- 9. A supplement is not issued for the addition of a new household member.

 False
- 10. The worker must verify that destruction occurred in a household disaster in order to do a replacement. **True**

MODULE: UNDERPAYMENT – 430-05-90



Objective

Provide eligibility workers with the information necessary to determine when to complete an underpayment.



Module Time

Approximate Time

20 Minutes

Notes	

LESSON: Underpayments



Purpose

Define and explain underpayment policy.



eManual References

Time Limits for Issuing Underpayments	430-05-90-05
Underpayments Used to Offset Claims	430-05-90-10
Disputed Underpayments	430-05-90-15
Calculating Underpayments	430-05-90-20
Changes in Household Composition	430-05-90-25
Reversal of IPV Finding	430-05-90-30



Policy

Benefits are issued to households whenever a loss was caused by worker error, when an IPV disqualification is later reversed, or when specifically required by federal regulations.

If the worker discovers an underpayment has occurred, action must be taken to issue the underpayment. No action by the household is necessary.

Underpayments **are not** issued to households for unreported changes.

An underpayment must be issued even if the household is not currently participating. The amount issued is in addition to any current benefit the household is entitled to receive.

The worker must notify the household using TECS notice F709 – Food Stamp Underpayment.

Time Limits for Issuing Underpayments

Underpayments must be issued for up to 12 benefit months from whichever of the following occurred first:

- 1. The date the worker receives an oral or written request from a household.
- 2. The date the worker is notified or discovers an underpayment has occurred.
- 3. When any judicial action established benefits were wrongfully withheld.

Underpayments are completed for up to 12 benefit months from the date the court action was initiated.

When the judicial action is a review of a county action, underpayments must be completed for up to 12 benefit months from whichever of the following occurred first:

- 1. The date the worker receives the request for the underpayment.
- 2. If no request is received, the date the fair hearing action was initiated, but never more than one year from when the worker is notified of or discovers the loss.

Underpayments Used to Offset Claims

All underpayments must be used to offset outstanding claims.

Exception:

Benefits for an initial month cannot be used to offset an outstanding claim, even if the benefit for the initial month is paid retroactively. TECS will not allow offset to occur when the benefit is for an initial month.

Example:

A household is entitled to an underpayment of \$100 and has an outstanding claim of \$40. The \$40 claim must be offset and the household then receives the remaining \$60.

When benefit months are reworked resulting in both underpayments and overpayments, the overpayments must be authorized first. Underpayments are then authorized and will offset the claim.

Disputed Underpayments

If a household believes it is entitled to an underpayment greater than the amount calculated by the worker, the household has 90 days to request a fair hearing.

The underpayment originally calculated by the worker is issued, pending the fair hearing decision. If the fair hearing decision is in favor of the household, the worker must follow that decision.

Calculating Underpayments

If a household was eligible but received an incorrect benefit, an underpayment is calculated only for those months the household participated. After correcting the loss for future months the worker must calculate the underpayment as follows:

- 1. If a household's application was denied in error, the month the underpayment initially occurred is the month of application.
- 2. If a household filed a timely recertification and it was denied in error, the month of underpayment is the month following the expiration of the household's certification period.
- 3. If an eligible household's application was delayed by the worker, the month of underpayment is the month of application.
- 4. If a household's benefits were terminated in error, the month of underpayment is the first month benefits were not received.

In each instance above, if the case has been closed since the incorrect denial or closure, the case must be reverted to open. If the case has been reopened since the incorrect denial or closure, benefits must be manually calculated and an underpayment must be added and authorized for each month the household is eligible for a benefit.

An underpayment is calculated for each month beginning with the first month incorrect benefits were issued to:

- The first month the error has been corrected.
- The first month the household is found ineligible.

In cases where there is insufficient information to determine eligibility, the worker must advise the household of what information is needed to determine eligibility. The F813 – Request for Information on a Closed Case must be sent requesting actual month circumstances for each benefit month for which there is insufficient information to determine eligibility. For each month the household

cannot provide the necessary information to determine eligibility, the household is ineligible.

Exception:

If expenses are not provided the expense is not allowed in determining the underpayment.

For the months the household was eligible, the worker must calculate the benefit the household should have received. If the household received a smaller benefit than it was eligible to receive, the difference between the actual and correct benefits equals the underpayment.

When a household is entitled to underpayments for a period of time in which the certification would have expired, an application form must be completed. The worker must be able to establish eligibility and benefit level for each month using actual verified circumstances. The application form would be registered as a recertification the month the original certification period expired.

Changes in Household Composition

When a household's composition has changed, underpayments are issued to the new household containing a majority of the members of the old household. If the worker cannot locate or determine the household that contained a majority of the original household members, underpayments are issued to the new household containing the head of the household at the time the underpayment occurred.

Reversal of IPV Finding

If a finding of IPV is reversed, the individual is entitled to an underpayment during the months they were disqualified, not to exceed 12 months before the date of county notification.

For each month the individual was disqualified, not to exceed the 12-month limit, the underpayment must be determined by comparing the benefit the household received with the benefit the household would have received had the disqualified member been eligible to participate.

Household participation in an administrative disqualification hearing in which the household contests the county's assertion of IPV must be considered notification of the household's request for an underpayment.

An individual who has been found guilty of IPV is not entitled to underpayments unless the individual successfully challenges the disqualification imposed by the administrative hearing decision in a separate court action.

EXERCISE: One - Underpayments



In the following examples, is the household entitled to an underpayment?

Worker discovers a worker error in the case. X Yes ___No
 Worker discovers a worker error and the household is not currently participating in the program. X Yes ___No
 Worker discovers the household failed to report a mandatory reportable change. Yes X No
 An intentional program violation is reversed. Yes ___No

Complete the following statements:

- 5. Underpayments must be issued for up to 12 months from the date of discovery of the error.
- 6. All underpayments must be used to offset outstanding claims.
- 7. If a household's application was denied in error, the month the underpayment initially occurred is the month of application.
- 8. If an eligible household's application was delayed by the worker, the month of underpayment is the month of application.
- 9. If a household filed a timely <u>recertification</u> and it was denied in error, the month of <u>underpayment</u> is the month following the <u>expiration</u> of the household's certification period.

If a household believes that it is entitled to a <u>larger</u> underpayment than it received, the household has <u>90</u> days to request a fair <u>hearing</u>.